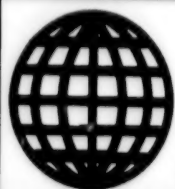


JPRS-NEA-93-106
25 October 1993



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

Near East & South Asia

Near East & South Asia

JPRS-NEA-93-106

CONTENTS

25 October 1993

NEAR EAST

REGIONAL AFFAIRS

Appeal for Assistance To Fight Locust Invasion <i>[Algiers EL WATAN 28 Sep]</i>	1
---	---

ALGERIA

International Press Reacts to Malek Nomination <i>[EL WATAN 28 Aug]</i>	1
HCS Examines Tougher Stand Against Armed Groups <i>[EL WATAN 16 Sep]</i>	2
New Government Said Focusing on Economy, Security <i>[Paris LE MONDE 8 Sep]</i>	3
Customs Said Unprepared To Face Market Economy <i>[LIBERTE 26 Sep]</i>	4
Bread Shortages; Tension Rises Over Flour Rations <i>[REVOLUTION AFRICAINE 25-31 Aug]</i>	4
Paper Shortage Puts Press at Risk <i>[EL WATAN 28 Sep]</i>	5

IRAQ

Trade Minister Responds to Citizen Complaints <i>[ALIF BA' 1 Sep]</i>	6
---	---

ISRAEL

Begin Views Omissions in Document of Principles <i>[YEDI'OT AHARONOT 12 Sep]</i>	8
IDF Prepares To Implement Agreement <i>[YEDI'OT AHARONOT 24 Sep]</i>	8
Jordan Valley Residents Express Fears <i>[YEDI'OT AHARONOT 24 Sep]</i>	11
'Spiritual Revolution' Needed in Approaching Arabs <i>[HA'ARETZ 15 Sep]</i>	14
Expectations for Israeli-PLO Tourist Industry <i>[HA'ARETZ 19 Sep]</i>	15
Option Distribution Profits Corporate Management <i>[HA'ARETZ 15 Sep]</i>	16
No Plans for El Al To Fly to Tunisia, Morocco <i>[HA'ARETZ 15 Sep]</i>	18

MOROCCO

Central Bank Report for 1992 <i>[MAROC SOIR 15 Sep]</i>	19
---	----

SUDAN

Country's Policies Remain Unchanged <i>[London AL-HAYAH 22 Aug]</i>	21
Commentary Deplores Country's Terrorist Status <i>[Cairo ROSE AL-YUSUF 30 Aug]</i>	21
Cooperation With Iran Foreseen <i>[London AL-SHARQ AL-AWSAT 1 Sep]</i>	22
Islamic Al-Ansar Alliance Opposes Regime <i>[London AL-HAYAH 1 Sep]</i>	23
Director General of Relief Interviewed <i>[Doha Al-Rahim 23 Aug]</i>	23
Staple Production Increase Expected <i>[London AL-HAYAH 22 Aug]</i>	25

SOUTH ASIA

BANGLADESH

Government To Disinvest 16 Sugar Mills <i>[THE BANGLADESH OBSERVER 24 Aug]</i>	27
Child Labor Not For Economic Exploitation <i>[THE BANGLADESH OBSERVER 23 Aug]</i>	27
Garment Exports Earn Taka 5,614 Crores in 1992 <i>[THE BANGLADESH OBSERVER 21 Aug]</i> ..	28

IRAN

Middle Road Between Extremism, Moderation Said Chosen <i>[London AL-SHARQ AL-AWSAT 3 Sep]</i>	28
Factors of Unity in Muslim Communities Discussed <i>[TEHRAN TIMES 6 Sep]</i>	29
President Inaugurates Largest Metallurgy Institute <i>[TEHRAN TIMES 31 Aug]</i>	30
Transport Minister: Railway Budget Insufficient <i>[TEHRAN TIMES 2 Sep]</i>	30
Steel Production To Reach 4.5 Million Tons <i>[TEHRAN TIMES 10 Aug]</i>	30
Information Centers To Open in Tehran <i>[TEHRAN TIMES 4 Sep]</i>	31
Charity Organization Covers 95 Percent of Lebanon <i>[TEHRAN TIMES 4 Sep]</i>	31

REGIONAL AFFAIRS

Appeal for Assistance To Fight Locust Invasion

94AF0011A Algiers EL WATAN in French
28 Sep 93 p 13

[Article by Ghania Oukazi: "A Plea for International Help"]

[Text] Faced with a locust invasion, the countries of the Sahel and the Maghreb have issued an SOS to the international community for effective and appropriate assistance on an increased scale in the most threatened regions. The present situation in Mauritania is considered very worrisome and it confirms that the threat of a locust invasion extending as far as the Maghreb countries has not diminished.

After meeting in Tunis at the beginning of September, representatives and experts from the countries potentially threatened by a desert locust invasion met again yesterday at the Elmithak residence in Algiers. Also present was the representative of the UN Food and Agriculture Organization (FAO).

The participants at yesterday's meeting, at which the agriculture minister, Mr. Ahmed Hasmim, presided, reiterated their concerns and their fears that this devastating scourge may spread across all of the Sahel and the Maghreb, affecting Algeria and Morocco. The experts' evaluation of the situation in the Sahel—particularly in Mauritania—has elicited special attention in view of the harmful consequences that the situation may have and the danger it poses to agriculturally based economies.

The antilocus effort must be intensified, but the countries concerned are experiencing enormous difficulties in carrying out their programs and shouldering the massive costs involved. In hopes of consolidating their efforts, all countries in the region are broadening their contacts. The state of affairs as assessed by the countries of the Sahel seems to be quite worrisome and therefore requiring serious action. Because they lack the means to combat the scourge, these countries are issuing an urgent appeal to the donor countries. Theoretically, the donor countries will not be miserly with their aid as they are well aware this type of risk—as remarked by Mr. Harfaoui, the FAO representative—carries international responsibility.

Libya has not been able to use air-borne means of locust control because of the embargo imposed on Libya, which forbids it from making use of aircraft, even agricultural aircraft.

The participants at the meeting unanimously called for strengthening the antilocus force of the Arab Maghreb Union (UMA), which is operational at this time in Mali and Mauritania and for deploying it across a broader section of the swarm-formation area. Toward that end, it is hoped that the Maghreb and African countries will cooperate and collaborate closely.

In the threatened regions, locust-control efforts are well under way, but in the areas where locusts breed, efforts

have fallen far short of being effective because of a lack of material and human resources. Should an invasion occur, it is expected to surpass the 1988 invasion in scale. That year, Algeria spent 1.197 billion dinars, including 620 million in convertible currency, and used more than 1 million liters of pesticides.

Mr. Harfaoui of the FAO acknowledged that the situation is catastrophic, particularly in Mauritania, and that action is imperative in order to limit the migration of locusts to Algeria and Morocco. In that connection, he spoke of the creation, under FAO auspices, of a pesticide bank and a special budget for the purpose of enhancing the efforts recently undertaken by the countries of the Sahel and the Maghreb.

In addition, the FAO representative announced that under a project called Ramses, remote-sensing and other modern technology will be used to watch for the early signs of an invasion. To a large degree, this is a means of preventive control that, according to Mr. Harfaoui, will use satellite imagery that can provide accurate and precise information. "The project will have a preliminary phase lasting five years and will include the installation of an experimental station with a total cost of about 9 million dollars," Mr. Harfaoui told us. He also remarked that "the main component of the project will consist of training programs for locust-control teams."

ALGERIA

International Press Reacts to Malek Nomination

94AF0001A Algiers EL WATAN in French
28 Aug 93 p 3

[Article signed F.M.: "The Man of the Open-Door Policy..."; first paragraph is EL WATAN introduction]

[Text] The appointment of Mr. Redha Malek on Saturday still provokes reactions in the international press.

In this week's edition, the French satiric weekly LE CANARD ENCHAINE, under the conspicuous headline: "Algeria Has Two Armies in the Fire," attempts in its own way to interpret the events in Algeria. "...Redha Malek is said to be in favor of intransigence," the weekly writes concerning the antiterrorist struggle.

Concerning Merbah's assassination, LE CANARD ENCHAINE believes that the late Merbah "possessed too many files, had too many memories, and saw too many people."

For its part, the liberal daily LE FIGARO, in an editorial published in one of last week's issues, entitled "Algeria: Death and Hope," mentions the diplomatic career of the new prime minister and the discreet support he is said to have received from the army. Concerning the support given by some countries to Islamist violence, the editorialist believes that the new head of the executive branch possesses a major asset, that of knowing well the Iranian leaders. "...a discreet dialogue between Algeria and Iran

might help reduce tension; the Algerian Government would be in a position to propose an appeasement process," he writes.

On its page 3, LE FIGARO analyzes the new deal in Algerian politics resulting from Mr. Redha Malek's accession to power. "Of all the insiders, Redha Malek is probably the one who has given the most thought to the crisis," the analyst observes. He believes that foreign leaders who have met with the new prime ministers in recent months were struck "by his determination and the vigor of his analysis." According to the newspaper, Redha Malek is still in favor of an open-door policy.

For its part, the American international edition of the HERALD TRIBUNE mentions, in connection with Merbah's assassination, "the sterile policy of death," which it links to the unpopularity of the former government. As for the FINANCIAL TIMES, it is positive that Abdesselam's "outdated" policy of austerity was a "failure."

Speaking of Algeria, "sister and neighbor," the Moroccan EL BAYANE, under the headline "Adrift?," admits that "no one, now, will deny that this country (Algeria) is experiencing a crisis that is not only getting worse every day, but that also weakens the very foundations of the Algerian State." Linking the new prime minister's appointment to Merbah's assassination, the daily of the Party of Progress and Socialism [PSP] (communist) gets mixed up in funny figures and lessons in redundancy. The allusion to "the very high intelligence" of the Moroccan regime, which resorted to a round table of the Club of Paris at the opportune time, is thinly veiled.

Concerning Mr. Redha Malek's accession to power, LIBERATION writes that this appointment reflects the HCE's [Higher State Council] determination to ease a situation "that was becoming too inflexible with Mr. Belaid Abdesselam." In the Tunisian press, the government daily LA PRESSE, without commenting on the appointment of the new head of the executive branch, stated that he is a "distinguished-looking" diplomat of "great discretion."

HCS Examines Tougher Stand Against Armed Groups

94AF0009B Algiers EL WATAN in French
16 Sep 93 pp 1,4

[Article by Amel Boumediene: "New Plan Against Fundamentalism Adopted"]

[Text] The Higher Security Council (HCS) met yesterday as scheduled, at the presidential palace in the presence of the prime minister, the military chief of staff, and the ministers of defense, foreign affairs, interior, justice, and economy.

At the close of the meeting yesterday afternoon, the HCS announced that it had "evaluated security conditions in Algeria" and that it would hold similar meetings whenever necessary, given the conditions that now prevail in

Algeria. No decision has been made public as yet, and it is still not known whether or not the HCS will resume its meeting in the coming days.

According to the information we have gathered, the Higher Security Council studied ways of stepping up the effort to combat armed groups and to root out fundamentalism, which is at the core of all the terrorist attacks.

In all likelihood, it is the "grave" situation in Algeria that prompted the government to take action and to adopt new measures that deal more firmly and, above all, more severely with all those who seek to destabilize the country in one way or another.

It is possible that radical new measures will be announced in the next few days. They may include the deployment of a new security configuration under a plan drawn up last year, a plan that could be implemented only in the present difficult context.

In any event, the public, not used to being given advance notice of HCS meetings, expects new measures to be announced.

For the time being, all that is known is that the antiterrorist effort will not be confined to the interior of Algeria. It will be extended to Algeria's borders with Morocco and Libya, because these two countries "are suspected of taking advantage of the present situation in Algeria in order to create artificial tensions along the borders." The borders will be placed under close surveillance so as to avoid "past mistakes," which allowed many terrorists to flee the country or to smuggle arms into Algeria. New measures concerning the civil services are also expected to be implemented, as the civil service has been a source of back-up support to the fundamentalist movement.

It should be noted that the civil service, broadly speaking, continues to pay salaries to subversives who are in prison or on the run from the security forces.

It is said that one of the interior ministry's new powers will be to clean house in the civil service, removing all suspects or individuals who do not express an unequivocal stand. Undoubtedly, the first sector that will be cleaned out is the teacher corps as 1,224 of the 7,000 Islamists in detention in February 1992 were teachers, according to judicial sources cited by the AFP. In addition, the same source states that the police have identified 315 teachers as members of armed groups and that nine slain teachers were carrying weapons at the time of their deaths. The housecleaning will extend to the justice ministry as well. All "disruptive employees" will be suspended from the ministry.

Last, one wonders whether or not the HCS will tackle political problems at its future meetings by discussing the possibility of "a revision of the Constitution." Will the existence of the Islamist parties En-Nahda [Awakening] and Hamas [Islamic Resistance Movement] be on the agenda?

New Government Said Focusing on Economy, Security

93AF0817C Paris LE MONDE in French 8 Sep 93 p 8

[Article by Catherine Simon: "Prime Minister Assigns Priority to Restoration of Public Order and Economy"; first paragraph is LE MONDE introduction]

[Text] On Saturday 4 September, two weeks to the day after Redha Malek was appointed prime minister, the Higher State Council (HCE) announced the makeup of the new government. The most spectacular change concerns the Ministry of Economy, which has been given to a former director of the World Bank, Mourad Benachenhou.

Algiers—Malek's team, which is smaller than the previous one (the Ministries of Culture, National Solidarity, and Tourism having been eliminated), is in fact only half "new." Twelve out of 25 ministers were part of the previous government. This is true in particular of Minister of Education Ahmed Djebbar, a reputed modernist who had some difficulty displaying his capacity for innovation under the "reign" of Belaid Abdesslam.

It is also true of the former minister delegate for Treasury, Ahmed Benbitour, a highly qualified economist who is regarded as one of the experts on the debt problem and who is replacing Hacene Mefti as minister of energy. Less lucky, the ministers of communications and religious affairs, who were very controversial, have had to step aside. But those changes do not cause any real surprise.

The most noteworthy appointment was unquestionably that of Mourad Benachenhou, who has been named minister of economy—a position held by the former heads of the government, Sid Ahmed Ghazali and Belaid Abdesslam. A native of Tlemcen and the holder of a doctorate in economics from the University of Bordeaux and a master's degree from the University of Maryland in the United States, Benachenhou, 55, held several posts in the Algerian administration before his recent stint as executive director of the World Bank. An expert on financial and monetary problems, he is regarded as one of the most brilliant liberal technocrats of his generation. His stands in favor of a market economy and a rescheduling of the debt (which he elaborated upon in *Dette et démocratie* and *Inflation, dévaluation, marginalisation*, both published in 1992) make one assume that he is among the most fervent supporters of a break with the old Boumedienne school, of which Abdesslam was one of the last advocates.

Describing with fierce irony the economic policy pursued until now ("What difference does it make if Algeria continues to bleed provided that perfusion continues?"), Benachenhou feels that while rescheduling the debt is "perhaps an inglorious solution," it has nonetheless become "a matter of urgency" and, in the long run, "inexpensive when compared to the alternative, which is the total economic collapse that is threatening our country." Those radical convictions, expressed all the more

freely in that no state duties obliged him at the time to show any reserve, will probably be less easy to defend against a political class accustomed to regarding rescheduling as an affront to national honor.

Unified Command

The caution shown by the local press in discussing the subject on Sunday was significant. The progovernment daily EL MOUDJAHID confined itself to introducing Benachenhou as "a renowned economist known for his many research works," while the independent EL WATAN mentioned the possibility of a "new direction in the economy," but with a strong hint of doubt. Aware of those reservations, Malek and his minister of economy will have to display diplomacy and teaching skill in dealing with public opinion without at the same time disappointing the Western capitals (see LE MONDE, 31 August). In making his first public statement on Sunday, Malek merely pleaded in sibylline fashion for a "market economy" that would not jeopardize the social gains to date, and he clearly assigned priority to the restoration of public order.

The second appointment, which had also stirred a lot of interest, was that of the minister of interior. Contrary to the rumors saying that the position would go to a former head of military security, Nouredine Zehrouni, currently ambassador to the United States, the authorities wound up giving the job to a military man and former minister of agriculture, Colonel Selim Saadi, retired.

According to EL WATAN, that appointment—with Lamine Zeroual being confirmed as minister of defense—may not be unrelated to the plan for unifying the police and military commands with a view to better coordinating operations by the various units combating terrorism. According to the French-language newspaper, that future unified command might "be entrusted to the new minister of interior, who is familiar with military tactics." That, of course, would confirm the traditional supremacy of the Army, the keystone of the political system. The decision in favor of "complete repression," which was said to have been heralded by the recent reshufflings at the head of the General Staff and Malek's appointment as head of the government, would be strengthened as a result.

The massive security efforts that have taken place since the state of emergency was instituted on 9 February 1992 have not sufficed—far from it—to reduce the violence. Following a very relative lull in June, the murderous cycle of assassination attempts has started up even worse than before, generally with police officers and government employees as its targets. Besides those murders (unofficially, it is said that over 2,000 people have died since the start of the year), recent weeks have seen terrorist actions of a new kind, these directed against economic targets.

For example, several state-owned enterprises have recently been set on fire or destroyed. That was what happened on 18 August at a flour mill in Blida that was one of the two largest in Algeria, and it happened again

last week at a shoe factory employing over 400 people and at a conduit firm. Several municipal vehicle fleets have also been visited by armed gangs with confirmed incendiary talents. Those acts of sabotage are increasing tension and intensifying the sense of helplessness in a population that knows less and less which way to turn.

Customs Said Unprepared To Face Market Economy

94AF0009A Algiers *LIBERTE* in French 26 Sep 93 p 2

[Article by Samir Knayaz: "We Are Not Ready for a Market Economy"]

[Text] So as not to be left behind, Algerian customs is getting ready to step into the era of the market economy. But before it can make the leap, there is much work to be done.

In what is perhaps a first in the history of the Algerian Customs Administration, the chief administrator of customs and his closest staff met yesterday with private and public business operators, the president of the Chamber of Commerce, and a representative of the Bank of Algeria for an exchange of views that lasted several hours at the Ibn Khaldoun Hall. From the outset, the customs administrator, Mr. Chaib Cherif, who opened the discussion, emphasized the purpose of the meeting, which he described as an opportunity for discussion, communication, and consultation concerning Algeria's chosen economic course—that of a free market economy. It is a course that, in his view, must be taken very seriously and one that requires preparation. "The customs institution is affected by this issue as much as any other party. But we must not delude ourselves. In the current state of affairs at Customs, we are not ready to face a market economy." If that is the case, the participants asked, is a market economy possible without a strong, modern, and well-organized customs institution? The customs administrator's staff offered an answer that question. But first, it was necessary to identify the areas where deficiencies exist and determine what the deficiencies are.

The answer to these questions and the initiatives taken to improve the services and the role of customs were contained in a paper presented to the audience.

The speaker who addressed the subject of customs organization and modernization remarked that the Customs Administration cannot perform its function well unless it is given vital material and human resources.

"By way of example, computer technology and modern tracking mechanisms are indispensable. But we see that computer technology is in use only at the airport and the port of Algiers and that Algeria does not even have a scanner."

With regard to human resources, it was noted that customs personnel do not receive adequate training or retraining. In response to changing conditions, therefore, the Customs Administration plans to send about 3,500 of its agents on retraining programs in four countries:

Tunisia, Morocco, France, and Belgium. In that connection, Mr. Chaib Cherif remarked that "Algerian Customs would like to organize itself in accordance with a number of national economic objectives, because customs must not be isolated from the macro-economic context."

On the subject of organization, the customs administrator drew special attention to the recent decision to conduct a review of customs regulations. The decision was implemented 25 days ago.

The business operators present at the meeting complained repeatedly of outmoded and anachronistic nature of certain laws which Mr. Chaib Cherif openly acknowledged, stating that the laws will be revised if necessary. "Often it is the proliferation of contradictory laws that gives rise to problems. That is not the fault of the Customs Administration, which has no legislative power. Having said that, I personally would like to state that we will do everything possible to clarify the laws. That cannot help but facilitate our dealings with the business community." Concurrently, the Customs Administration plans to redraw the administrative boundaries between regions and divisions so that the demarcations will better correspond to economic activity and geographic criteria. That is certain to facilitate communication and allow for improvement in the various services performed by Customs. In addition, Mr. Chaib Cherif responded to remarks by the business operators present who pointed out constraints in their dealings with Customs. He proposed that a joint working group be formed to identify the various problems that exist and to study those problems with the goal of finding solutions to them, to the extent possible. "I suggest to you that we begin immediately with the most urgent issues," he said, adding that issues within the purview of the Customs Administration should be addressed jointly with the business operators; concerning issues that fall outside the Administration's authority or that directly involved other institutions, "I will serve as your spokesman," Mr. Chaib Cherif said.

The customs administrator invited the business operators present to comment on or, if necessary, to add to the organization and modernization program that was presented at the meeting. He urged them to attend other similar meetings.

Bread Shortages; Tension Rises Over Flour Rations

94AF0001B Algiers *REVOLUTION AFRICAINE* in French 25-31 Aug 93 p 23

[Article by Zoheir Bennini: "Bakeries: For a Few More Baguettes"; first paragraph is *REVOLUTION AFRICAINE* introduction]

[Text] It has become a tradition. Every year—with few exceptions—summer is marked by a bread shortage. The causes are many, and always the same. Nevertheless, the flour scarcity remains undeniably the main cause.

Citizens have definitely not seen the end of their troubles yet. Already faced with great difficulties in their daily life

as a result of the conditions that prevail in the country, now, during the summer holidays, they also must cope with bread shortages. Very early in the morning, long lines wait in front of bakeries; it has been like that every day for weeks already. Is there another way for consumers to get a baguette of bread? "Because my children are very young, I must stand in line early every morning to get bread before I go to work," a citizen told us. This shortage obviously has its causes. In a statement to the APS, Mr. Chaib Ahmed, president of the bakers' section of the General Association of Algerian Merchants and Craftsmen [UGCAA] blamed it on the scarcity of flour which, he said, caused the ERIAD [five food industry enterprises] to cut bakers' quotas by 20 percent for June and 30 percent for August. This, he added, amounts to a 5-percent reduction in bread production. For his part, Mr. Flissi, a member of the UGCAA national bakery committee, gives as a reason, in addition to quota reductions, the strike at the port of Algiers and the closing of many bakeries for the summer holidays.

In addition, he said, "there is an increasing bakery deficit although the population becomes more numerous every day." He believes that there is a nationwide deficit of 3,500 bakeries.

As for bakers, they are unanimous blaming the ERIAD for this situation. Take Mohamed for instance: "Starting in June and well before, they reduced our flour quota. It became intolerable when August came and the reduction reached 40 percent. In addition, we are not supplied regularly; I have invoices to prove it." Another baker, located at the top of Rue Didouche Mourad, acknowledged that holidays make things worse. "Yet," he said, "the ERIAD does nothing. In this neighborhood, my bakery is the only one that is open; the others are on vacation. I then asked the ERIAD to increase my quota, just so I could meet the demand; but nothing was done."

At the ERIAD main office, where successive meetings take place, people are "rather sparing" of explanations. At most, they agree to give a few reasons, which do not enlighten the public, far from it. Thus, an official speaking off the record first mentioned the well-known reasons (bakers' vacations, strike at the port) and then told us that "traditional European suppliers are on vacation during August." That may be so, but considering that flour is a basic product, the ERIAD should have anticipated the situation. Quotas, therefore, had to be reduced because flour was not available in sufficient quantities. As a result, already in June, the ERIAD reduced by 20 percent the quotas of bakers who usually get more than 90 quintals per week, and who form the first category. This category saw its quotas reduced by another 20 percent in August. That is a total of 40 percent. For the second category of bakers, those who receive 41 to 89 quintals per week, the 20-percent quota reduction was applied only starting on 1 August. As for the third category, bakers who get less than 40 quintals per week, their quotas remained unchanged and were not reduced. People at the ERIAD blame the bakers who were not "honest" and sold their flour quotas on the

black market, which further complicated the crisis. To face this impossible situation, the Algiers ERIAD asked the Constantine, Setif, and Tiared ERIAD's for help. The atmosphere is now optimistic; "the worst is over," the official added, "within a week everything will be back to normal again."

When all is said and done, this tension, which keeps recurring during the summer months, reveals definite inadequacies in the regulation of this highly sensitive sector. This being said, there is no law to regulate the bakers' vacations, while the ERIAD's empty stores testify to the inability of some officials to manage this strategic sector. The government, therefore, has a lot to do. The credibility of the State is at stake.

Paper Shortage Puts Press at Risk

94AF0010A Algiers EL WATAN in French
28 Sep 93 p 5

[Article by Nacera Benali: Printer Says Newspapers Threatened]

[Text] "If we do not see a breakthrough in the situation soon, the newspapers that are printed on the rotary presses at the Center print shop will have to contemplate a cutback in circulation or worse still, a suspension of publication," we were told by the an official of the Algerian Printing Company (SIA), who is sitting in for the company's general manager.

The shipment of newsprint that was scheduled to arrive on 25 September, as previously announced by SIA's general manager, Mr. Mekkaoui, has yet to arrive in the port of Algiers. In fact, at last report, the ship had not even left its dock in Sweden.

Neither the shipping company nor Algerian harbor officials were able to inform SIA's acting general manager of the status of the ship promised by Mr. Mekkaoui on 30 August in the pages of the same newspapers that now face a suspension of publication.

"If the ship had been readying to leave for Algiers, we would have been informed by the supplier as of the time of loading," said an SIA official. Mr. Mekkaoui, who is traveling on business somewhere in Norway and England, has left his temporary replacement in an impossible situation.

In March 1992, SIA signed a new contract with Scancomptoir, a Swedish firm that has been supplying newsprint to Algeria for the past 19 years. The contract called for 7,000 metric tons of paper, but SIA took delivery of only 4,300 metric tons. The remaining 2,700 metric tons—enough for the printing company to operate for four months without outside help—would never arrive because SIA's general management decided, for reasons that are not known, to break off the contract with Scancomptoir and deal instead with a Norwegian supplier.

Thus, SIA has been operating without back-up supplies since the beginning of the month of July. "We do not even have a day's worth of paper in reserve," the acting director confided.

At the time, SIA's labor board sounded the alarm by writing to the oversight agency and, later, by calling the public's attention to the problem in an appeal sent to the officials concerned, citing "a dangerously low levels of stock."

So far, SIA has "borrowed" 2,500 rolls of newsprint from the El Moudjahid Company and another 210 rolls from the regional press of Constantine. Yesterday, SIA had to ask the National Printing Office for 25 rolls of newsprint to publish the color section of ECH CHOUROUK. "We remain in business by borrowing newsprint here and there, but this sort of makeshift arrangement cannot continue," said angry labor union members who work for SIA.

By the way, the yellow and salmon-colored paper on which several daily newspapers are printed (EL WATAN among them) is four-year-old stock imported by EL MOUDJAHID and originally intended for sports and specialized publications. Working with daily quotas, SIA's workers make an effort to publish the general news publications.

"Neither the oversight agency nor the company's board of directors have responded to our concerns caused by this highly unusual situation. It is unreasonable that they continue to force the newspaper publishers—who have been very understanding—to use color paper and it is totally illogical to operate one day at a time," we were told by the labor collective.

No one stands to gain from this state of affairs, particularly not the SIA, which incurs a 30- to 40-percent loss on the paper it is currently using. What led to this situation? The labor union is blunt in its assessment: "poor management, a glaring lack of planning, and a total lack of foresight."

SIA's general manager, Mr. Mekkaoui, is expected to return from his business trip at the end of the week. Will he have newspapers to read during his flight home?

IRAQ

Trade Minister Responds to Citizen Complaints

93AE0624A Baghdad ALIF BA' in Arabic 1 Sep 93
pp 10-11

[Article by Dhikra al-Samarrani: "ALIF BA' Between Trade Ministry and Citizens"]

[Text] Last week, ALIF BA' participated with citizens as the Trade Ministry's guest, to listen to citizen complaints and suggestions to the ministry regarding milk for children, larger subsidized food quotas, and the quality of flour.

Citizen Khalid Hasan began the conversation by asking the minister about children's milk and why the Trade Ministry stops supplying a child after it enters its second year.

The minister of trade replied:

"We distribute 1,000 tons of children's milk a month to citizens, the equivalent of 2.5 million cans of milk for children under one year. The cans are distributed to families at the rate of three cans a month per child. The value of this amount of milk is 3.5 million dinars.

"The purpose of limiting it to the first year is to give an opportunity to new infants to obtain their quotas of milk. For children to receive milk in the second year requires a Health Ministry medical report stating their need for milk, and then they are supplied with it like those under one year. We know there are unfortunate cases of sick children not included by Health Ministry directives and not provided with a report. Our suggestion regarding them is that the Health Ministry deal with these cases from its resources obtained from aid. There is also the General Dairy Agency, which can cooperate with us and with the Health Ministry in this matter.

"The family has a choice after the child's first year. It can receive children's milk or a ration quota for them like adults. There are many families that rely on breast feeding and do not need artificial milk. We have reports of increased demand for children's milk by families [with children] over one-year when the market price of milk is much higher than the price of the ration quota for an individual in the commercial market (in other words, when the price of milk is higher than the price of the individual's quota in the market).

"Nevertheless, when the government can provide any extra or increase, it will not be slow to do so; and this is in accordance with the presidential order of 5 March 1991, when the Trade Ministry began to implement the program of rationing for citizens (the supply card). We began to increase quotas regularly whenever we had extra supplies available."

While the trade minister was speaking about increasing ration quotas, another citizen took the opportunity to ask him whether ration cards will continue to be used after the economic siege ends and how the quotas will be determined.

Dr. Muhammad Mahdi Salih replied:

"The ration card is a civilized measure that directs the country's resources, especially food, so that it can be distributed according to citizens' needs and within the bounds of their complete satisfaction. It will benefit us even after the economic siege ends, so that we can prevent food resources from being diverted to non-human uses, such as animal feed. Before the economic siege, flour was used for animal feed because of its low price, and it was the same with rice, lentils, and commercial children's milk: some people used the latter in poultry feed to increase the protein content. Also, the

ration card can prevent food from leaking into neighboring countries because of its low price. For these reasons we need the ration card after the economic siege."

The trade minister added:

"Another reason for the need to use the ration card is that the government will continue supporting food. In order to be able to achieve balance between an adequate amount of supplies and their not escaping, along with prices remaining reasonable, government support for citizens requires the existence of the ration card."

ALIF BA' raised a question about whether the existence of the ration card after the siege ends means that food will be rationed. Dr. Muhammad Mahdi Salih replied:

"It is not rationing; it is regulation for a sufficient amount for the family. It could include supplementary items whose quantity will expand and increase according to their availability. Thus the need for the ration card will continue to exist after the unjust siege."

Responding to our assertion that the ration card with its current quotas is inadequate for citizens, the minister replied: "If food were adequate, the siege would not exist at all."

Another citizen complained about the low quality of the flour delivered as part of the ration quotas. He said it is soft and nearly black in color.

The minister of trade replied:

"An improvement in the quality of flour is a legitimate right of citizens. The ministry is doing all it can to improve the quality. We say to citizens that this year's wheat and barley crop had a high level of impurities and that the amount of barley we received from farmers was much higher than the amount of wheat. Also, the mills that remain standing suffered from unavailability of spare parts and other materials needed for maintenance. All these things made the quality of flour distributed to citizens lower than expected."

About the flour's being soft he said:

"Iraqi wheat is usually soft, with a low amount of gluten, the substance that helps the dough bind. Barley, too, is low in this substance. This is what makes the dough loose. Its color is dark because of the barley."

The minister also said: "The Iraqi oven is vertical, so the loaf usually falls. In other countries, the oven is horizontal, so they don't discuss whether the wheat is soft or not. French wheat, for example, is all soft. Hard wheat can be found in only a few countries of the world. Before the economic siege, we imported flour from them—Canada, India, Argentina, and some from Australia. For the record, we say that Turkish wheat is number zero: all of it is soft."

The minister of trade advised citizens to counteract the wheat's softness by using less yeast in the dough and a shorter rising time, or they should put a spoonful of

vinegar in cold water and add it to the dough. He also told citizens that dough in winter binds better than in summer.

Dr. Muhammad Mahdi Salih heard other requests from citizens, including their desire for other products, such as meat, chicken, and eggs, to be added to the ration card.

The minister replied: "Guaranteeing a single month's quota of any product to all of the country's 19,957,000 inhabitants requires that this number be taken into account in distributing the product. We cannot distribute chickens to some and not others; we cannot distribute to a particular geographic area, or prefer one governorate to another, even in scheduling distribution of these products. All these considerations have to be taken into account whenever a product we want to add to the ration card is available."

The minister also said:

"All the products the citizen wants—and that we want—especially eggs and chickens, are not sufficient for 5 percent of the population, or we might even say 1 percent. The ministry is serious. When it is sure that the quantity of any product falls within what is sufficient for the population, it will include it on the ration card."

"What the citizen notices is that these products, especially chickens and eggs, are available in local markets, but not on the ration card. This is because their prices are very high. The volume of demand for them by the total population is also small, because not all residents are able to buy them. That is why we see them available in the market. It is not as some think, that their quantities are large. If the prices of these products were reduced by ration card prices, they would immediately disappear from the markets."

After the minister finished answering the citizens, we sought news from him about the trade market, especially about prices after the crisis clears and the unjust siege is lifted, God permitting.

He said: "What is certain is that prices will drop when the siege opens and when national industrial and agricultural production increases. Prices will also drop when total demand for goods and services falls through a program of rationalizing consumption and rationalizing public and private spending."

Then will citizens not have to raise their income to deal with higher prices?

He answered:

"If we compute an average six-member family's total expenses for ration card food and for water, electricity, and fuel bills, it comes to no more than 50 dinars a month for a family with limited or middle income. This is the equivalent of the minimum wage for a single day's work for an unskilled building worker. In other words, a family or one of its members can by a single day's work cover expenses for these items for a month."

"However, prices of other items not on the ration card—nongovernment items—are very high. In implementation of the president's order, citizens' incomes in the last two years have risen greatly above what they were in the past. The important thing is to know the evil goals of the aggression and of the Americans in particular regarding the unjust siege: to starve, humiliate, and deprive Iraqis of their will. They dream of making our food a way to justify occupation, as happened in our brother country, Somalia.

"But we will foil and frustrate all their hopes by our solidarity and patience. Let the vile withdraw far away, God permitting!

ISRAEL

Begin Views Omissions in Document of Principles

93AA0163A Tel Aviv YEDI'OT AHARONOT (24-Hour Supplement) in Hebrew 12 Sep 93 p 3

[Commentary by Beni Begin: "From the White House to 1947"]

[Text] The Rabin-'Arafat agreement was not planned to be a basis for peace, and it is not a basis for peace. The intentions of those who formulated it and signed it are simpler: for years, they have seen as their strategic goal the severing of Israel from the Arab population of Samaria, Judea, and the Gaza Strip, and that is their plan: if this severing brings relative quiet between us and our neighbors—all well and good, and if not—it is not so bad. In order to abandon these portions of the Land of Israel, the people who dreamed up the plan needed a piece of paper from 'Arafat, to wave before the eyes of the public. To get 'Arafat to give them the license for the abandonment, they were ready to sell fast, plenty, and cheap.

In return for the right to flee from Gaza first, they have also rewarded the PLO with the Jericho region, whose size has not been agreed upon, and have also given the PLO something in between the two, and turned the Arabs of Jerusalem into an inseparable part of the Arab Council, given it legislative authority and allowed this authority to apply to both residents and territory, handed it the responsibility for combating terror against Jews, and agreed to include Jerusalem in future negotiations, among "other topics of mutual interest." And finally, in return for 'Arafat's signature, they have also sold this: although the PLO still upholds the hate-filled covenant calling for the destruction of Israel ('Arafat promised to change it, but he needs a two-thirds majority in a special meeting of the Palestinian National Council); and although the call for realizing the "Right of Return" to Jaffa is still as strong as ever, the prime minister of Israel recognizes the leader of the PLO gang as a head of state.

The Oslo agreement puts no obligation on the Arab side to halt the violence against Israel, but at the same time, it does not allow our troops to take action in the field against terror directed against the citizens of Ashkelon.

Despite all this, Foreign Minister Peres promised the Knesset last week: "No more bloodshed. No more terror!" and again declared (in whose name?): "No more terror, no more violence?" To this Messianic delusion, moderate PLO leader Yasir 'Abd-Rabbu gave the answer on Israeli television the next day: "The intifadah cannot be stopped." When he signed the letter recognizing the PLO as the representative of "The Palestinian People," the prime minister thrust us backwards 46 years with one stroke of a cheap plastic pen, with a strong army and a defeated leadership that flees from the knives of the intifadah. It is all happening again now, and the document for the PLO that will set the boundaries of the debate in the first stage, will be the UN decision on partition, which took Jerusalem, and most of the Negev and Galilee, out of our hands in 1947.

Mr. Rabin ("De Gaulle" as Mr. Peres called him in the Knesset) will find out very quickly that Arabs who define themselves as "Palestinians" are not only in Gaza, Jericho, and Samaria, not only in Jordan, Syria, and Lebanon, but also in the Galilee and Wadi 'Arah. The realization of the national and political aspirations of the Arabs in Janin and its surrounding villages are certain to arouse Sakhnin and its neighbors. If Shilo, where my forefathers' tabernacle stood, is just like a piece of Algeria to Yitzhaq de Gaulle, the burning of the Galilee will also prove what we already learned in 1947: when portions of the land of our fathers are under the control of strangers, there is no security for the Jewish state, and there will be no peace this way.

"With our souls and our blood, we will redeem you, Palestine," American Arabs wearing ties clamored at 'Arafat yesterday in Washington, but their voices were drowned out by the cheers of those gathered at the White House. Blinded by the camera flashes, the celebrants thought they saw white doves flying above them, but the more discerning can see the strong beaks of the PLO hawks and the red eagles of Jenin flying in the direction of Jerusalem.

"Vulture, vulture, over the mountains, vulture over the mountains, fly!

IDF Prepares To Implement Agreement

93AA0163B Tel Aviv YEDI'OT AHARONOT (Weekend Supplement) in Hebrew 24 Sep 93 p 8-9

[Article by Roni Shaqed]

[Text] The Central Command has been busy this week drawing maps of the West Bank—preparing for the new reality that will be coming after the agreement.

On the map of the highways, traffic arteries were marked in various colors, a different color for each group of users. There were roads for settlers, roads for Palestinians, roads for defense, roads for joint use. On another map, the settlements were highlighted, and in a number of regions, such as Gush Etzion, broad areas were marked off as settlement blocs. On another map, the municipal boundaries of the Palestinian cities were sketched in. And, of course, there was also a large map of

the Jericho region—with suggestions for determining the geographic dimensions of the Palestinian enclave.

The agreement's clock is ticking fast. The timetable for carrying out the agreements is crowded. The Rabin-Arafat agreement, signed on September 13 on the White House lawn, will come into effect on 13 October, that is, in another three weeks. On that date, more talks will begin in Washington that will lead, no later than 13 December, to the signing of the agreement on withdrawal of the IDF [Israel Defense Forces] from Gaza and Jericho. The withdrawal has been set to end no later than 13 April 1994.

The work going on in the headquarters of the IDF and the defense establishment is at its peak. What the PLO's demands at the negotiating table will be is still not clear, so the IDF is developing defense strategies based on a number of alternatives—to be ready for a variety of possible Palestinian demands. On Monday, top IDF leaders presented the first plans before the prime minister and the minister of defense. On Tuesday, the coordinator of activities in the territories—whose office is responsible for transferring the civil authority to the Palestinians—a meeting of military governors to listen to ideas, and even more important, to find out what problems they foresee.

"There must be no mistakes in planning," they said in the IDF this week. "After the signing, it will be impossible to change anything. Every detail about Jericho will have to be carefully examined, because the solution in Jericho is likely to serve as a model for the solution in other territories."

The Palestinians have been crystallizing their own interpretation of the agreement lately—in discussion teams in Tunis. From the territories, suggestions are being sent. "We are starting new negotiations now, which will have to be handled by experts," says Dr. Sa'ib 'Urayqat, vice chairman of the Palestinian delegation. "To ensure that, we have to recruit all the best Palestinian minds from all over the world."

The agreement on principles established the broad outlines of the solution, without going into details. In the case of Jericho, for instance. The agreement on principles uses the term, "Jericho area," without saying what the geographic dimensions of the enclave are to be. Nor does the document specify which maps are to be used to determine the city's area. To solve this problem, which Rabin described as "Jericho's chupchik," there have been two suggestions: one, to set the borders of the "Jericho area" according to the municipal boundaries of the city, which stretch over an area of about 20 km. The other, to set the boundaries according to the Jordanian definition of the "county of Jericho," as the Hashemite government already called it before 1967. According to this definition, "the Jericho area" covers an area of about 100 km.

The IDF has set several basic principles for the Jericho enclave: the enclave will be cut off from the water pipeline from the Jordan river. Between the enclave and

the Jordanian border, there will be a strip of land several kilometers wide, which will serve as a security strip reinforced by IDF forces. The Allenby Bridge, east of Jericho, will remain under IDF control. There will be no Jewish settlements within the enclave—and therefore, in two or three months, it will be necessary to evacuate the Nahal brigade presettlement of Elisha', which is within the municipal boundaries of the city.

The defense establishment would like to build a road "by-passing Jericho" in order to avoid unnecessary conflict over the question of the passage of Israelis traveling from the Jerusalem region to the Jordan Valley or northern Israel. If Palestinian border checkpoints are set up on the roads to the enclave, Israeli border checkpoints will be set up near them—within the territory under IDF sovereignty.

Paragraph 7 of Appendix 2 of the agreement on principles determines that "arrangements shall be made for safe passage of people and traffic between the Gaza Strip and the Jericho area." The Palestinians are already talking about paving a road between Gaza and Jericho 150 km long, to be leased from Israel and under either international or joint control.

The IDF and the defense establishment are not excited about the idea, and not in any hurry to buy into it. "There are legal problems over expropriation of land, and building a road like that is likely to take several years," the IDF responded, and suggested, for the time being, allowing caravans to pass through from Gaza to Jericho two or three times a day, guarded by the IDF. In any case, the passage would not be through the Jerusalem region—it would be a much shorter route from Gaza to the West Bank—from the Bayt Jubrin road, or the road that cuts through Judea.

The IDF is preparing a withdrawal plan for Gaza and the Jericho enclave. In Jericho, the problem will be easier. This is a small territory, with no settlements. The IDF will have nothing to do there, unless Jericho becomes a city of refuge for fugitives.

Withdrawal from Gaza will be more complicated. The settlements of Gush Katif, and even more than those, the two enclaves of the settlements of Netzarim and Kfar Darom create a real security problem. The agreement says, and Rabin and Peres have been careful to emphasize, that no Israeli settlement will come down. This puts the full responsibility for defense of the settlements, their residents, and the traffic arteries leading to them, onto the IDF's shoulders.

As part of the IDF's new deployment in Gaza, there are plans to build an army base inside the settlement of Netzarim. The base will serve mainly as the liaison office for contacts with the Palestinian entity of Gaza. In such a case, thickening the settlement with IDF forces will strengthen security for the settlement, and give its residents a greater sense of security. As for Kfar Darom, they are already talking in the IDF of moving it to Gush Katif. There are plans to make the Gush the IDF's security headquarters for the Gaza Strip region.

After the withdrawal from Gaza and Jericho, the IDF will be dealing with four main security components:

A. The external threat: securing the eastern border with Jordan, and the international border with Egypt, a relatively easy problem that does not require new solutions or any change in deployment.

B. Security all along the borders of Gaza Strip and the Jericho enclave: this also can be solved with relative ease, by building an network of electronic fences around the Gaza Strip, and, if necessary, a defensive fence around the Jericho enclave.

C. Protection for the traffic arteries all across the West Bank, and especially the ones leading to the settlements: according to the agreement, Israel will still be responsible for the "overall security of Israelis for the purpose of ensuring their internal security and public order." The problem of protecting the traffic arteries is more complicated, and will require much coordination with the Palestinian police—as well as with the settlers. They estimate in the IDF that coordination with the Palestinians will reach the level of brigade commander coordinating with the Palestinian police subdistrict commander for the same region.

D. Protection for the Israeli settlements and individuals on the Gaza Strip and the West Bank; this is the hardest problem, and will require great effort from the IDF, both in manpower and physical defenses—and a great deal of original thought.

The general of the Central Command, Major General Nehemya Tamari, and the military commander of the Judea and Samaria region, Brigadier General Sha'ul Mopaz, have begun a series of meetings and consultations with the leaders of the settlements. The meetings are meant to make sure the settlers know that the IDF will still be responsible for their safety, will consult with them, and will work out plans for the security of the settlements together with them: they will plan together how to strengthen the fences, adding lighting, build new walls, and set up communications networks and first-aid stations or emergency generators—and they are even talking about putting in crisis buttons.

To avoid friction between settlers and Palestinians, and to maximize the settlers' safety, there are plans to build roads that will by-pass the Arab population centers. The settlement of Pisgot outside Ramallah will need an immediate solution. The road to the settlement, which also houses the Benjamin regional council, passes through the streets and alleys of al-Birah. The new agreement, which orders withdrawal from population centers, will make it necessary to build a by-pass road, so that the security of the settlers of Pisgot will not have to be turned over, or abandoned, to the hands of the Palestinian police.

According to the agreement, "IDF forces will redeploy outside of populated areas." The definition of "populated areas" remains open to the interpretation of both parties. The IDF tends to include in the definition of the

municipal territories of the cities on the West Bank. The conclusion that necessitates is that their military control centers must be moved outside of the Palestinian cities.

Back in the days of the British mandate, control of the cities on the West Bank was already centered in police departments that were built in the town centers. The Jordanian Government inherited the buildings, and since 1967, Israel has used them for the same purpose.

In Tul Karem, for instance, the British built the police station exactly in the center of the city, a stone's throw from the city's refugee camp. This complex includes the brigade command post of the Ramallah subdistrict, the office of the military governor of the Tulkarm region, the military court, various government offices, service stations, the police station, and the regional headquarters of the border guard, and also the subdistrict's jail. The situation is similar in all the cities on the West Bank.

The IDF has begun to prepare to transfer these centers to locations outside populated areas. The Central Command has suggested ways to shelter the headquarters in IDF camps close to the cities. Thus, for example, it was suggested that the Ramallah command post be moved to the 'Ofer camp, or to the Bet El camp, that the Samaria command post be moved to the Horon camp, and that the command post of the Tulkarm-Qalqilyah subdistrict be moved to the Qedumim camp.

In principle, the agreement leaves the IDF with the authority to move freely in all parts of the West Bank—except for the city of Jericho. The IDF also intends to move freely all over the West Bank—but not anywhere and at any price. "The main problem is what can be done, not what may be done," they say in the IDF. "Would it be worthwhile to send IDF forces into the Nablus casbah? Or into the Bal'atah refugee camp?"

The city of Hebron is perhaps the most complicated and difficult place for which to find a solution. Israel must fulfil the agreement and retreat from populated areas on the one hand, while on the other, it must provide security for the Jewish settlements. Within the thicket of the Palestinian population of Hebron, which leans toward Hamas, there are three Jewish enclaves. In the center of the city, right by the casbah, is the Avraham Avinu [Our Father Abraham] neighborhood, where Rabbi Moshe Levinger lives. In the center of the city, next to the main square, is Beyt Hadasa—and near it, Tel Romera, where a group of Kakh supporters live. In addition to the Jewish population, the IDF also has to worry about the Cave of Makhpelah.

They say in the IDF that Hebron requires a special solution. One possibility would be to declare the entire city a "holy site," and then allow IDF forces to operate in the city jointly with the Palestinian police. Another suggestion is to bring a multinational force into the city, to back the joint IDF-Palestinian forces. The status quo between Jews and Muslims in the Cave of Makhpela, set by Moshe Dayan at the beginning of the seventies, will be preserved. The prime minister said this week that security at the holy sites—the Cave of Makhpela and

Rachel's tomb—will be in the hands of Israeli forces. One proposal the IDF is looking at, though, security at the Cave of Makhpela would be put in the hands of a multinational force.

One of the problems difficult for the IDF to decide is whether to intervene when there are violent quarrels between the PLO and members of the Fronts or Hamas [Islamic Resistance Movement]. The IDF estimates that Hamas and its partners will stage attacks and raise the level of terror during the interim period. According to the estimate, it is possible that PLO may reach the stage where it is actually slaughtering its opponents. If that happens, whether in Gaza or in Jericho, the IDF will not be able to interfere. But in other areas, the situation is different. A senior officer said this week that as long as the IDF is in command, it has the responsibility for security of all residents. The world, he says, will not accept excuses and explanations about slaughter carried out within territory that Israel controls—"Look at Sabra and Shatila."

Decisionmakers in the IDF said this week that it is completely clear that the handshake between Rabin and 'Arafat has created a completely new reality. These officers, busy these days with building a new security picture for the territories, do not think it at all impossible that within a month or two, Yasir 'Arafat will come to Jericho, to Gaza,—and perhaps even to pray in Jerusalem. "In such a case, the IDF will have no choice," said the senior officer. "We will have to protect President 'Arafat."

Jordan Valley Residents Express Fears

93A40163C Tel Aviv YEDI'OT AHARONOT (Weekend Supplement) in Hebrew 24 Sep 93 p 10-11

[Article by Aviva Sha'bi]

[Text] Last Sunday, Deputy Defense Minister Mordekhay Gur was scheduled to visit Moshav Na'ama. That morning, his office announced that the visit had been canceled. The deputy minister flew to Cairo together with the prime minister, but not stopping off in Jericho.

The residents of Na'ama, about 2.5 km north of where the future Palestinian government will be, wanted to drive their tractors onto the Allenby Bridge and cross the border into Jordan. "Maybe there, they will want us," says Liora Hason, one of the veteran members of the settlement.

This was the second time that Gur, who is responsible for the settlements in the territories, has canceled a visit to the Jordan Valley. The first time, he went to the ceremony at the White House. The visit was put off again, to Wednesday, and then canceled a third time. Labor Knesset member 'Imanu'el Zisman, told them he would be coming on Monday, and then canceled out at the last minute. These days, when the people living in the valley are filled with fear and uncertainty, every case like this is interpreted as deliberate avoidance.

"Do not do us any favors. Just do not come," said Liora Hason angrily. "Let them just not show their faces here. There is a limit to how far you can go with people. They know what kind of mud they have pushed us into. What are we really asking for? Just that they come and talk to us. That they tell us where we stand. We are not the scapegoat of the State of Israel."

Gur's response was that he could not let himself come for a 15-minute visit, because it was clear to him that he will have to sit with the residents. "two, three, four hours, to really hear what they have to say." Gur knows how very worried these people are. The problem is that nobody, including him, has any way to free them from worry.

Shim'on Cohen, chairman of the Jordan Valley Settlement Council: "There are no clear answers from anybody responsible in the government. Peres told us: 'We have completed the arrangement on the broad plane. We just have to finish the details.' And the details are us. We are walking into the unknown."

"I know," Mote Gur told us, "that some of the problems bothering them are ones that nobody can give them an answer to. They are worried about the future, about what is going to happen in another four or five years, and I understand them. These are things that it is hard to give definite answers to. No one can tell them with absolute certainty what they want to hear, nobody can take upon himself to promise things. We can only repeat our policy. And our policy is that they stay, and that is that."

[Sha'bi] Do you foresee the settlements in the valley being uprooted?

"No. No. But even when we tell them that, they do not believe us. Jericho has raised the level of concern for them, and rightfully so. The process does arouse concern."

Over the last few weeks, Na'ama has turned into the focal point of a spiritual storm. The youngest settlement in the valley is now being ironically called "Na'ama First," because, in the settlers' blackest scenario, this will be the train's first stop when it comes to drag away with it all the settlements in the valley.

The last house in Jericho is 800 meters as the crow flies from the fence at Na'ama. Along the settlement's eastern border runs the military fence protecting the Jordanian border. The eastern side of the houses, facing the fence, is a windowless reinforced concrete wall. Twenty-four families live here, about 120 individuals. The children ride under a military escort to the "Gefanim" regional school in the center of the valley, 35 minutes away.

In this place, at the mercy of fierce winds in the winter, and attacked by swarms of flies carried by the siroccos of summer, they grow agricultural produce for export worth hundreds of millions of shekels a year: flowers, grapes, vegetables, and the latest rage—spices, like lemon extract, coriander, mint, and parsley. Just last year, new greenhouses were built here.

They get their water from modern wells drilled near the city of Jericho. Now, they say in Na'ama, they will be dependent on the PLO's good graces. If the supply of water were cut off for just one day during the season, it would be enough to destroy the entire harvest.

"Ever since 1983, they have been singing us songs about Zionism and national consensus," Liora Hason says, and her throat chokes with tears. "They asked me to come. There was a call to rally to the flag, and come to settle the Jordan Valley. We got up and came. Today I ask myself, 'How could we have believed we were important?'"

She is a member of the Na'ama absorption committee. Her husband, Ya'akov, is chairman of the settlement committee. They have three children, the smallest a baby girl, four months old. Liora says that she has started going to therapy to learn how to deal with the new circumstances. What to say to the children? The tension is unbearable, and the fear that the parents radiate passes on to the children.

"We are raising children in insecurity here," says Matat Rosenblum of the cultural committee. "If the game is already up—let them tell us. We have the right to know what the next step will be. Do not leave us hanging for five years." The day the agreement was announced, her nine-year old son Gil went out into the yard in front of the house, and slammed a flag-pole into the ground in protest.

The day the document of principles was signed, a caravan of cars sped joyfully down the highway. Palestinian flags waving from the windows. In Na'ama they tell us that the fellows from 'Ujah, the neighboring village, have already divided up the spoils: who is going to take which house and which greenhouse. There is a story going around the settlement about a resident of the valley, who was building a shower room in her house not long ago, and noticed that the Arab contractor was not being very careful about the quality of the work. When she asked him why, he answered her: "It is just for five years, anyway, and then I will fix the house up." "You will get this house in one piece only over my dead body," she answered him.

"We came here as a realization of Zionism, and we do not want to leave," Liora Hason says. "No money could compensate us. I have sweated here for 12 years, and I want to die here. But I will not stand in the way of peace. I am a mother, and what mother likes to send her sons to war? If I know that this is the price of peace, that this is the end of the war—I will pack up and leave here tomorrow."

The road from Na'ama to Jerusalem passes through Jericho. The oasis, which until the intifadah was a bustling tourist site, is licking its wounds now. The walls are still stained with the slogans of the rebellion, but there are already the first signs of calm. The shops are opening one by one. Palestinian flags hang from the roofs of the houses and in the entrances of the restaurants and

have even been drawn on the windshields of the cars. A restrained, almost unanticipated silence, falls over the city at noon.

We take a ride with Aviva Shahar, from Moshav Tomer along the road leading to the ancient synagogue at Na'aran. A camel is tied to a signpost that points the way to the ruins of Jericho. In the "En Dok," restaurant right beside the spring, the entrance is decorated with pictures of 'Arafat. The chairman smiles confidently out of a deep blue background, and the peacefulness all around almost turns the trip into a nostalgic journey.

Not far from there, at the "Jericho 1" water drilling site, we look out over the panorama of the date and banana orchards, and the vineyards, of Vered Jericho: 250 dunams in the heart of the Jericho region. To work them, Israeli farmers will have to go along the path that goes by the house where 'Arafat will be living. "Maybe," says Yehiel Hadas, from Vered Jericho, "we will even have to get passes from him."

This year was the 25th anniversary of settlement in the valley. The first two settlements, Mehola and Argaman, were founded in 1968. The first two settlements, Mehola and Argaman, were founded in 1968. Within the bounds of the Jordan Valley regional council are 17 settlements—14 moshavim and three kibbutzim, and another five Nahal presettlements. The settlements include the entire political spectrum: Betar, Hapo'el Hamizrachi [Spiritual Center Worker], the Moshav Movement, Ha'oved Hatziyoni [The Zionist Worker], the Farmer's Union, and the United Kibbutz Movement. There are 650 families, about 2,800 individuals, living here. Another approximately 330 families, about 1,500 individuals, live within the boundaries of the Ma'ale Efrayim local council.

The Jordan Valley is a 120-km strip, stretching along the Jordan River from the Bet She'an valley down to Jericho. It has a sparse Arab population; an average temperature of 18 degrees in the winter, 35 degrees in the summer; two elementary schools, a junior high, and a regional high school; one community center, at Moshav Hamra; and 45,000 dunams under cultivation.

Most of the residents of the valley make their livings from export farming: citrus, dates, and table grapes, which have won them the title "Europe's greenhouse." The main export is flowers. Exports in 1993 came to 50 million dollars.

For years, the residents of the valley have been Israel's stepchildren. They came to the desert and made it bloom in the name of national consensus, which agreed that the valley was the security border of Israel. The consensus was so complete, that development budgets just passed over the valley. The money was invested in places with less consensus: Judea and Samaria.

Since the signing of the Israeli-Palestinian agreement became known, the rumor machine has been working overtime here. Once they said that the autonomy borders would come up to Moshav Tomer, and once up to 'Ayn

Fashkhah, north of the Dead Sea. One rumor spoke of the 1967 refugees returning to the enclave, another of a cutback in water quotas for the settlements.

The confusion finds expression in a memo that the director of the Jordan Valley Waterworks, 'Amram Dayan, sent to the secretaries of the settlements on September 19. "Over the last few weeks," Dayan writes, "I have been trying to understand the implications of the agreement with the Palestinians when it comes to just one thing—water! I am sorry to say that I still have many questions and very few answers. Questions like—what will "Jericho first" mean from the point of view of ownership of the wells drilled within the Jericho region? How big is the Jericho region? Who will be in control of the water works for the interim period? Who will be in charge of determining water quotas?"

All Dayan could do was recommend to each farm coordinator, secretary, or individual farmer to prepare for the next season as best he knew how.

The question of control over water sources and land is critical for the future of the settlements in the valley. To expand export quotas, water quotas will have to be expanded, and more land made available for cultivation. "If the agreement says that within nine months the Palestinians will receive authority over the state lands in the Jordan Valley, plans for development in the valley will be over," says the head of the Jordan Valley regional council, David Levi. "No farmer is going to stay here if he knows that he has no hope of receiving more land, no opportunity to expand."

There are settlements in the valley that are on lands recorded in censuses, or on Muslim waqf lands. Others are on land that was taken by expropriation orders of governors or commanders in the region. The minute the Israeli loses authority, by what force will they be holding these lands? And what will happen if the decision is made to allow refugees to return, and they come back and demand the rights to their lands?

The valley needs an immediate investment of approximately 100 million shekels for infrastructure and economic development in all the realms: roads and electricity, industry and tourism, housing and education. In a position paper the council put out, which details the valley's problems and the things that can help, there is also a paragraph dealing with the Division for Social Services's preparations for pressure situations. The proposal includes a multiprofessional task force, including psychologists, an educational adviser, a family counselor, and social workers.

The key question is whether the valley will have a special status in the settlement with the Palestinians. All the peace plans Israel has presented, from the Alon plan up to today, have spoken of holding the Jordan Valley as a security buffer on the eastern border. This principle is part of the Labor Party platform.

Nevertheless, since 1967 the valley has not been included within the realm of responsibility of the civil

authorities of Judea and Samaria, and also not within the realm of responsibility of the military commander of the region. It is under the authority of the commander of the Jordan Valley Brigade, who answers directly to the general of the central command. The main activity of the Valley Brigade is defined as preventing infiltration and penetration over the Jordanian border for purposes of terrorism.

The document of principles that Israel and the Palestinians signed makes no separate mention of the Jordan Valley. The council chairman, David Levi, says that from a legal point of view, the valley is part of Judea and Samaria. "If you read the agreement, you will see no difference between them. Everything else is political nuance."

On Tuesday, the settlers' representatives met with Mordekhay Gur at the Knesset. When the meeting ended, a defense ministry spokesman published an announcement to calm the air: "In the staff work being done these days by the defense establishment in preparation for the Jericho settlement, no Jewish settlement will be harmed, and no settlement will be moved or interfered with. There will be no interference with water or any other resource. The bridges on the line of defense along the Jordan will remain in our hands. The military is responsible for defence of the settlements and the personal security and well-being of the citizens."

But Levi is looking at the future with open eyes. "The real meaning of all this," he says, "is that there is going to be a Palestinian state, and they should just stop telling us tales. The zone of jurisdiction should remain whole—it should remain the way it is. We cannot stay here as islands under Palestinian sovereignty. No sane Israeli would remain here that way."

Labor doves are telling them straight out: the agreement is going to lead to the creation of a Palestinian state. Knesset member Avraham Burg told the representatives of the settlements, that they should read the handwriting on the wall. Another dove, Knesset member Haggai Meyrom, suggested that they get ready for what is coming. If territorial continuity from Eyn Gedi to Beyt Sh'an is not ensured, and arguments over land begin, Meyrom told them, they had better get organized and get themselves some good lawyers.

The blow fell on the residents of the Valley like a thunderbolt on a clear day. They set up the Jordan Valley settlement council, four months ago. The talk about withdrawal from the Golan set off a red light for them. But before they had time to organize, events caught up with them. The logo on the stationary was not even ready. All along the valley highway, there are signs supporting the Golan settlements. Now the slogans will have to be replaced with, "Say yes to the Jordan Valley."

In a letter sent recently to various Knesset members, the committee members demand that the government preserve the continuity of Jewish settlement in the Jordan Valley: to set the borders of autonomy at Jericho without

harming the Jewish settlements; to condition continuation of the peace talks on the valley being under Israeli sovereignty; and to give development of the valley first priority.

"The residents of the Jordan Valley are not going to become hostages or a bargaining chip for some sort of temporary settlement," the letter says.

The Jordan Valley residents are not going to lie down on the highways, or burn tires at traffic intersections. They are good people in their middle years, who just wanted to quietly grow another eggplant, or another tomato. It seems like most of them feel that they have lost the battle for public opinion, and there are already some voices saying: "We should leave immediately."

"People do not want to derail the peace," says Yehudit Krinski, head of the settlement council's public relations team. "Until the knife is actually at their necks, they will not go out into the streets."

From her home in Ma'ale Efrayim, Sara Schwartz sees the Yamit syndrome beginning before her eyes. Schwartz, a community psychologist born in Argentina, came to the valley on the eve of the Sinai evacuation. In her living room is a large picture of Yamit, photographed from the monument before the destruction. There she turned from someone who was going to change the world, a "salon socialist," as she puts it, into a supporter of the Land of Israel.

Over the last few days, she has been having a feeling of "deja vu." People are talking a lot about what is going to happen, and some are dividing up the compensation that no one has offered them yet. "It is clear to us that we will not be able to change anything in the government's approach," Schwartz says, "but it is possible to affect the way people go through this experience. This is one of the things that can help the avoid the terrible effects of the destruction of Yamit."

She, who has been through the experience of being uprooted, knows what is going to happen. And for the first time in 30 years in this country, she says, she has even thought that she may not want to stay here. Like Alice in Wonderland, who meets the Cheshire cat, and asks him what road to take. "That depends a good deal on where you want to get to," says the cat. "I don't much care where," says Alice. "Then it doesn't matter which way you walk," says the cat.

"I also accept the cat's answer," says Schwartz. "If we are not here to build the Land of Israel—then why are we living here? And if we are not going to be able to live a full life in the land of the Jews—then what does it matter where we live?"

'Spiritual Revolution' Needed in Approaching Arabs

93AA0161A Tel Aviv HA'ARETZ in Hebrew
15 Sep 93 p B1

[Article by Ze'ev Schiff: "The Spiritual Revolution"]

[Text] The day that President Sadat departed on his historic visit to Israel, something serious happened to large groups in Egyptian society, and mainly in its social elite. Politicians, military men, journalists, and intellectuals were suddenly drawn into a terrible contradiction with everything that they had thought, said, written, and preached for tens of years. Many had made their living from that, and within that framework had built up big establishments. And, suddenly, they had to say and write completely contradictory things, and also to explain why they had erred. Two Egyptian foreign ministers resigned because they were not able to cope with the great revolution that their president had forced on them. To this day, the Journalists Union, the Lawyers Union, and the Physicians Union—who continue to boycott Israel—have not coped with this.

Others Will Change

The worrying question in this example is how to avoid a similar mistake and not to be left behind; how to cope with the difficult spiritual revolution so that we will be able to see clearly and forward. It is important to every person, but especially for those who will be directly involved in the peace issues, such as defense people and politicians. The difficulty is that we all have a natural inclination to expect that others will change, while we ourselves remain as it were stuck in a closed elevator without knowing what is happening outside. An example of this is a conservative personality such as former Prime Minister Yitzhak Shamir, who, after the collapse of the Soviet Union and the conclusion of the Cold war, asserted that the entire world had changed, except for the Arabs. He did not, of course, see himself and how he appeared to the world. Some of the Arabs also will continue to preach to us that we must change—while they themselves do not lift a finger following what transpired between Israel and the PLO.

As for the security aspect that worries many, it seems to me that the most important rule is to stop thinking about the conflict between Israel and the Palestinians according to the strategic zero-sum game concept: that is, if one side wins something, that is immediately a net loss for the other side. That was the approach in the past, when we told ourselves that every dialogue with the Palestinians leads only to a loss. That is the approach of our extremists, but it has already changed among significant portions of the Likud. The correct approach is that the two sides can benefit from the agreement—without injury to their vital interests. Foreign Minister Peres certainly appears to many as a strange man, when he asked European states to contribute to the development of the Gaza Strip. The truth is that such support will also benefit us, because it is the Israeli interest that tranquility prevail in the Strip also after we withdraw from there.

The spiritual revolution must, and can, be expressed also in the nature of the agreement that we are trying to dictate to the Palestinians. In order to convince the public of the utility of the agreement, there are leaders who explain that we have succeeded in manoeuvring

the Palestinians and that almost nothing serious was given to them. First of all, this is not correct. But what is important for our subject is to understand that there is a danger in agreements that are bad for one of the sides. An agreement in which one of the sides is humiliated and completely pressed is a bad agreement from the start. Such an agreement invites the next generation to rise up against it. The new generation will argue that its older brothers misled it and that the other side humiliated them. There is no lack of historical examples of such agreements that crumbled by themselves or were violated. The agreement that we dictated to Lebanon with bayonets on 17 May 1983 also could serve as a negative example, and it is no wonder that it did not last even one month. The agreement between Israel and the Palestinians must be such that both sides will have a positive interest in observing it, and both will lose a lot if it is spoiled or violated.

It was difficult for many to accept Rabin's handshake. It will certainly be difficult, for example, for the security people to accept that opposite them on the joint committees with the Palestinians will sit persons whom they interrogated yesterday and who sat in prison, and who are now official representatives of the other side. Israeli intelligence people will have to exchange information with PLO representatives, who yesterday were deemed terrorists, in a common struggle against the new terror that is directed against the agreement. Some of the British, for example, found it difficult to free themselves from this approach even in the seventies, when the former Irgun leader, Menachem Begin, was elected prime minister of Israel. In order to cope with this spiritual revolution, it is first necessary to free oneself of all the stereotypical images of which most of us have been enamored.

A Redefinition of the Threats

The spiritual revolution throughout all parts of the defense establishment will be especially difficult. Here, especially creative thinking will be necessary. In the future, a redefinition of threats to Israel will be inescapable. Sooner or later, we will arrive at a situation in which we will have to discuss with our neighbors mutual changes in the size and structure of the armies, in the deployment of certain units, and, perhaps, even in doctrine. It is very reasonable that precisely Israel will raise this if and when we progress in negotiations with Syria. It will be one of the ways to reduce the possibility that the sides will surprise each other with a general offensive. All of this cannot occur without a spiritual revolution on both sides of the front. However, this is important to stress precisely when the security aspect of the spiritual revolution is being discussed, because in no way are we talking about a lowering of vigilance or the relinquishing of our strength. Some of the Arabs understand this better than many Israelis. Precisely because of the territorial concessions that await us, we must think more in terms of unconventional deterrence in the future.

Expectations for Israeli-PLO Tourist Industry

93AA0161D Tel Aviv HA'ARETZ in Hebrew
19 Sep 93 p 4

[Article by Ilan Shehori: "Tourist Chains Are Interested in Investing in Israel in the Wake of the Progress in Israeli-PLO Negotiations"]

[Text] In the wake of the progress in the peace negotiations between Israel and the PLO, there is rising interest on the part of world tourist interests in the possibility of investing in Israel, and establishing there hotels of a popular standard, so that it would be able to absorb the expected large increase in tourism in Israel in the coming years.

Three international hotel chains, Howard Johnson, Days-Inn, and Marriott are interested in investing in Israel.

These chains specialize in operating popular hotels on the level of 3 to 4 stars, and they have sought to clarify details about how to invest in Israel, and about procedures for constructing and operating hotels.

In the past there were already several attempts by popular hotel chains to open branches in Israel, but these attempts were not successful, because senior management in some of the chains opposed developing the chains in Israel for fear of hostile reactions in the Arab countries.

About eight years ago, Bill Marriott, the owner of the Marriott hotel chain, visited Israel, and there was an attempt then to convince him to invest in Israel. The Marriott company is active in two areas of the hotel business—the expensive and the popular.

Marriott hinted at the time of his visit that he feared losing the Arab market if he were to open hotels in Israel.

Several days ago, interests in the United States, from among the heads of the development and marketing departments of the Marriott chain, applied for assistance in preparations for a plan for investments in Israel.

'A Significant Development'

The former director-general of the Ministry of Tourism, Rafi Farber, who recently recently his service as an Israeli tourist representative in the United States, is involved in attempts to bring investors to Israel. Senior figures in tourism in Israel said that the very entry into Israel of firms such as Marriott, Days Inn, and Howard Johnson will constitute a significant development of tourism in Israel.

The Howard Johnson chain specializes in establishing small hotels, mainly outside of the centers and outside of the big cities. The chain has apparently decided to invest in Israel, and it will seek to establish the hotels in places like the Negev and the Galilee, and not in Tel Aviv, not in Eilat, and not in Jerusalem.

The director-general of the Hotels' Association, Avi Rosenthal, said that what is involved is a most significant development, if these firms indeed enter the Israeli market.

According to Rosenthal, every additional international chain that comes to Israel develops the tourist industry, because the chains will be aided by their global computerized marketing systems, so that Israel will be recognized as a tourist area in additional places.

Rosenthal added that just recently, following the agreements with the Palestinians and the Jordanians, there was great interest among economic groups in Israel and abroad who are interested in investing in the area of popular tourism in Israel.

"The Hotels' Association is preparing for a large number of tourists by preparing additional manpower for hotel work," Rosenthal noted.

According to Rosenthal, an increment of 10 percent in tourists who enter each year means an increase of 100,000 tourists—and about 1 million nights. Such a thing would require another 1,800 employees.

Rosenthal noted that the Israeli hotels will soon begin a big marketing campaign in the United States and in Europe, in order to bring tourists to Israel in the wake of the peace, in the hope that already this winter there will be progress.

The Hilton chain said yesterday that the reservations department of the chain in Israel was ready as of the eve of Rosh Hashana to accept reservations from Israelis for Hilton hotels in the various Arab countries.

Moti Versas, the spokesman for the Hilton chain, said that service for the Israelis would be provided through Hilton's international reservations center.

According to him, the marketing departments in Israel and Egypt are now working for the first time on a plan for cooperation through publications in the Arabic language.

Versas noted that in October it will be possible to reserve places in Hilton hotels in Abu Dhabi for \$178 per couple. In Algiers, the price will be \$131, in Dubai \$201, in Khartoum \$165, in Cairo \$132, in Sharm \$86, and in Tunis \$100 per couple, without breakfast and exclusive of local taxes.

Option Distribution Profits Corporate Management

93AA0161B Tel Aviv HA'ARETZ in Hebrew
15 Sep 93 p C1

[Article by Guy Rolnik: "A Good Year: 5.2 Million Shekels"]

[Text] On 16 June 1993, Scitex President Arye Rosenfeld made a dramatic announcement to the New York Stock Exchange. He announced that in the second quarter of the year Scitex would have a significantly lower profit than had been expected. The response of the investors on

Wall Street was extreme. Within an hour, the share [price] had plummeted 25 percent, from \$38.00 to \$28.50. Afterwards, the share [price] continued to decline, and today it is trading around \$25.00.

Scitex was, until the decline, one of the most popular shares for the Israeli investor, so that its collapse left a lot of private and institutional investors with a big hole in the pocket. However, there was also one senior executive who suffered a painful personal blow—Dov Tadmor, the director-general of Discount Investments and the chairman of Scitex.

Tadmor owns 19,500 options to purchase Scitex shares, which were given to him in the framework of the plan to distribute options in the IDB [Israel Discount Bank] group. The option price is \$27.50. When the shares were trading at a price of around \$40.00, Tadmor's options were valued at NIS[new Israeli shekels]800,000. At the present price for Scitex shares, the options are worth nothing. This illustrates well why it is so worthwhile for executives to receive options: risk disappears. They can never lose. At the most, they are liable not to earn.

The story of Tadmor and the options describes well the revolution that took place in 1992 in the sphere of executive compensation in the Israeli economy. 1992 will be remembered as the year in which tens of salary-earning executives in the economy became millionaires. Five years ago, when the public corporations began to publish the salaries of their top-level persons, the amounts and the names received big headlines in the newspapers. A salaries of NIS40,000 and 50,000, of executives like Bruno Landsberg of Sano and Aharon Dovrat of Klal, were the talk of the day in the business community, and sometimes also reached the debates in the Israeli legislature. Today, the recipients of such a salary would not make it to the list of the 10 most highly paid salary earners, or even to the list of the 100 most highly paid persons.

The big leap in executive salaries in 1992 occurred in the best year from the viewpoint of the profitability of the public corporations that are traded on the stock exchange; but that was not the reason for the jump in salaries. The change in the method of executive compensation to the American method is what produced the tens of executives, the new millionaires.

The Klal concern fired the opening shot. In May 1992, the board of directors of the concern decided on a plan for distributing options to the senior executives. Director-general David Weinshel and Chairman Avi Uls-hansky were allocated 45,000 options for the purchase of Klal Yisra'el shares.

The key word in the sphere of options is the option price. This price, which is approved by the corporation's board of directors, determines how much it will cost the chairman to purchase the corporation's shares. Klal decided to set the option price according to the price of a Klal Yisra'el share several months before the decision, and to deduct 15 percent.

The value of the options derives from the difference between the option price and the market price. That is only a theoretical value, as the benefit itself will be determined only on the day that the executive exercises the options and sells the corporation's shares on the exchange.

When the decision was made about the options for the top-level people at Klal, Weinshel's and Ulshansky's options were worth NIS900,000 for each of them. But since then, Klal Yisra'el shares have risen together with the general boom in the equities market, and today the value of the options that were distributed in 1992 comes to NIS3.1 million for each of the executives. Even before the distribution of the options, Klal executives did not suffer from low salaries; in 1992, the salary cost of the two came to NIS110,000 per month. However, it is clear that the options changed completely the order of magnitude of the executives' salaries.

The issue of the options has naturally focused public debate. The most troubling question is: why have the majority of the public corporations decided to set option prices that are significantly lower than the prices of the shares on the stock exchange on the day that it was decided to distribute the options?

The options are supposed to be a tool for motivating executives, and there is no doubt that when sums that are so high are involved, the motivation of the executives

increases. When salary-earning executives hold shares of the corporation, there is a greater identity between their interests and that of the public investor. But when option prices are set significantly lower than the market price, the executive is given a gift even before he has produced any achievements.

At the top of the list of the recipients of the highest salaries in the economy in 1992 stand out the directors-general of the most "public" groups—corporations in which the public holds, directly or indirectly, most of the shares. The Klal firm—the father of the options method—is controlled by Bank Hapo'alim (government-public) and the IDB group, half of whose shares are held by the general public.

Dov Tadmor, the director-general of Discount Investments, receives the highest salary in the economy. Discount Investments, which he heads, is apparently number one in the economy in recent years in growth and in profitability.

A surprising name in the ranking of salaries is that of Shlomo Grofman, the director-general of Africa Israel. The options that he received and the strong increase in the market price of Africa Israel in the past year are what created the big benefit. Africa Israel belongs to Bank Le'umi and to South African investors. The salaries cost of the executives of Bank Le'umi—the owners of Africa Israel—is significantly lower.

	Corporation	Executive	Annual wage cost	Options	Annual Salary Including Options	Net Profit in 1992	Net Return on Capital
1.	Discount Invest.	Dov Tadmor	1,316	3,855	5,171	171,431	20%
2.	Africa Israel	Shlomo Grofman	740	3,920	4,660	44,671	10%
3.	Teva	Eli Horowitz	933	3,540	4,473	87,839	16%
4.	Klal Yisra'el	David Weinshel	1,180	3,172	4,352	167,808	14%
5.	IDB Development	Eliyahu Cohen	1,512	1,844	3,356	157,951	11%
6.	Elite	Natan Nisani	760	2,262	3,022	36,775	13%
7.	Tambour	Re'uvén Shulstein	1,205	1,158	2,363	46,506	30%
8.	Klal Industries	Me'ir Lazer	833	1,530	2,363	229,130	18%
9.	Israel Corp.	Aharon Zeler	2,266	0	2,266	25,421	4%
10.	Klal Insurance	Yedidiya Greenberg	549	1,533	2,082	(17,671)	-9%
11.	The International	Shlomo Pyotrkovsky	1,814	66	1,880	101,258	10%
12.	Elbit	'Emanu'el Gil	1,713	0	1,713	232,099	14%
13.	Assets and Construction	Avi Ati'as	674	843	1,516	25,462	7%
14.	Kargal	Sha'ul Kobrinsky	811	430	1,241	13,956	17%
15.	Leydar Flotations	Ya'ir Pudim	1,216	0	1,216	5,395	66%

	Corporation	Executive	Annual wage cost	Options	Annual Salary Including Options	Net Profit in 1992	Net Return on Capital
16.	Agis	Mori Arkin	1,183	0	1,183	19,502	20%
17.	Klal Electron.	'Akiva Me'ir	749	301	1,050	110,206	26%
18.	Lodzia	Ya'ir Rotloy	1,010	0	1,010	6,887	12%
19.	Electronics	Gad and Dan Kroviner (each)	984	0	984	7,396	26%
20.	Elron	'Uzi'a Galil	943	0	943	113,116	11%

(Figures in NIS thousands)

Cost of salary: The amount includes all components of salary—basic salary, bonuses, fringe benefits and various benefits such as automobile, cellular telephone, and per diem.

Options: For the purpose of valuing the benefit inherent in the options, we calculated the difference between the market price of the share and the exercise increment that is specified in the option distribution plan. It is important to see that this price is only theoretical. Most of the shares that will be received from the conversion of the options are blocked for various periods. The real value of the option will be determined only at the time that it is converted into a share, and the executive sells it on the stock exchange.

It should be noted that the option valuation method that we used is similar to the manner in which all of the newspapers in the United States calculate the benefit inherent in the options of the American executives.

The value of the option that was calculated here does not include the additional value that it has as a result of the fact that an executive has the option not to exercise it, if that is not worthwhile. This occurs when the price falls sharply. In contrast, an investor who purchases the corporation's shares on the exchange is exposed to the decline in their market price.

No Plans for El Al To Fly to Tunisia, Morocco

93AA0161C Tel Aviv HA'ARETZ in Hebrew

15 Sep 93 p 2

[Article by Roytal Brakha, Dani'el Aviv, and ITIM: "El Al Still Has No Plans To Fly to Morocco and Tunisia"]

[Text] "We still have no plans ready for flights to Morocco and Tunisia," El Al spokesperson Nahman Kleinman said yesterday. He said that the moment that El Al receives a "green light," it will make preparations to sign agreements.

According to him, it is not a few days that are involved, rather a process that prepares a meeting between representatives of the airlines, which includes discussions about traffic, prices, and technical arrangements. "We are preparing for flights to every possible destination," he said.

A delegation of Israeli industrialists will leave in the next few days for Morocco. Uri Mor-Yosef, a businessman from Ashdod, a native of Morocco who is vying for the position of mayor of Ashdod for the Labor Party, said that the delegation will go to examine the possibility of establishing in Morocco Israeli factories, in which it will be possible to develop products that are operated by solar energy.

According to Mor-Yosef, the meeting yesterday of Prime Minister Yitzhak Rabin with the king of Morocco may result in economic growth in Israel and in Morocco. "From the responses that I have received, I get the impression that the meeting of Rabin with King Hassan was received with great sympathy among those of Moroccan origin in Israel. The king is a distinguished man and very beloved among those of Moroccan origin in Israel. I have no doubt that the king is interested in rapprochement with Israel," Mor-Yosef said yesterday.

The "Beyahad" [Together] movement, which operates to pass down the North African heritage, decided yesterday to organize a peace delegation to Morocco that will include members of Knesset from all of the factions. Beyahad movement Chairman Shalom Amoyal said yesterday that the movement had decided to welcome relations with any Arab state, including Morocco.

"The Jewish community in Morocco today is small," said Amoyal, "and it is composed of approximately 10,000 Jews. Due to the friendly relations that developed over the years with the king of Morocco, anyone who wants to leave Morocco can do so that without any problem. Those who remained did so of their own free will and they can leave there any time via France or another European country." He said that "the door to King Hassan actually was always open to Israeli public figures and to members of the movement, even though the relations were not always overt. With the establishing of official relations, there will certainly be a development of commercial, cultural, and artistic ties and, of course, of tourism."

According to Shlomo Havilio, a member of the secretariat of "Beyahad" who was director of the Department of International Cooperation in the Foreign Ministry, no property claims are expected on the part of Jews who left their property in Morocco and emigrated to Israel. "The Jews who left clandestinely indeed left a portion of their property in Morocco, because they did not have the possibility of liquidating it properly; but they left it to other Jews. As of today all the Jews in Morocco are there of their own free will, and they have the possibility of leaving there at any time, there is no basis for claims. The property of the Moroccan Jews was not expropriated by the government," he said.

MOROCCO

Central Bank Report for 1992

94P50011A Casablanca MAROC SOIR in French
15 Sep 93 pp 8, 9

[Excerpt] [Passage omitted] The national economy, largely subject to international conditions, suffered from the economic malaise that affected, in particular, the European Economic Community, our principal commercial partner. Moreover, production and revenues from agriculture were sharply reduced as a result of unfavorable climatic conditions. However, growth in other sectors of the economy was less affected, in contrast to earlier drought years. Similarly, financial conditions made a positive turnaround and registered satisfactory results.

These data must be cautiously interpreted, taking into consideration the disparities already revealed on other occasions by certain economic indicators whose amplitude this year is even more pronounced.

With that in mind, according to the provisional data, the gross domestic product (GDP) witnessed a decline in real terms of 2.9 percent, adjusting a 29-percent drop in agricultural production and a general growth of 3.8 percent in the other sectors. This is an appreciable improvement over the year before.

Accompanying this development was a relaxation of prices, noticeable at all stages of production and distribution. This lower inflation was encouraged by a reduction in consumer spending as the increase in overall income was directed to savings that benefited from a strengthening of interest rates. Thus, investment was reinforced and the need for financing was kept at essentially the same level as the year before.

On the whole, if the economic showing for sectors appeared unequal and generally in decline, the financial situation appeared overall positive, attesting principally to the reduction of the foreign exchange imbalance and to the stabilization of public finances.

In fact, the deficit in the balance of payments was limited to 1.6 percent of the GDP, despite a worsening trade deficit, thanks to receipts from tourism and from Moroccans residing abroad. In addition, the net growth of investment by foreigners, combined with a substantial mobilization of foreign financing, permitted the government to cover the negative balance payments and the amortization of the foreign debt, as well as to strengthen foreign exchange reserves.

In the area of public finances, the budget deficit was reduced in one year from 2.9 percent to 1.7 percent of the GDP. The rapid expansion of receipts, notably due to fiscal restructuring, permitted the government—despite a moderate increase in expenditures—to increase public savings by nearly one-half and thereby cover three-fourths of public spending. At the same time, the government worked to reconcile delinquent accounts

and also to strengthen public investment. All considered, the treasury appreciably expanded its utilization of monetary means of financing.

This increase at once in foreign exchange reserves, in notes held by the treasury, and in credits to the economy all translated into an expanded means of payment over and above the GDP. Nevertheless, the resultant increase in liquidity did not significantly affect the overall monetary balance, given the relaxation of prices and the relatively constant deficit in the foreign balance of payments. This increase in the money supply reflects above all a strengthening of quasi-money [M2], thus confirming a new consolidation of savings.

Production

After a 5.1-percent increase in 1991, the GDP in constant prices registered a 2.9-percent decline in 1992. This overall decline, the worst since 1969, was the result of a sharp drop in agricultural production that offset and overshadowed the observed 3.8 improvement in all of the other sectors of production (which saw only a 1.8-percent increase in 1991).

Under these conditions, the structure of the GDP was profoundly modified. Thus, where agricultural production dropped to 15.1 percent of the GDP, secondary sector production went to 29.7 percent; at the same time, tertiary production and the noncommercial services of publically administrated enterprises rose to 38.7 percent and 16.5 percent of the GDP, respectively.

Agricultural production, which had set new records the year before in a good number of products, was significantly affected in 1992 by abnormal weather and marked a 29-percent decline in contrast to a roughly 20-percent expansion in 1991. The grain harvest went in one year from one of the highest to one of the lowest in the previous 10 years, shrinking two-thirds in volume with no more than 28.6 million quintals [1 quintal = 100 kg]. Legume production dropped in like proportions, yielding only 1.5 million quintals. Similarly, the production of citrus fruits was measured at 1.1 million tons, a 25-percent decline from the exceptional level observed in 1991, while olive production diminished more than 30 percent. The harvest of sugar-producing plants fell 8 percent and the cotton harvest plunged more than 75 percent. On the other hand, the production of fresh fruits and vegetables rose by 2 percent, following a 30-percent expansion the year before; likewise, grape production increased by 14 percent and oilseed production rose by more than 75 percent.

Concerning livestock production, the effects of this year's inadequate rainfall were eased noticeably by the availability of fodder stocks from the previous harvest and also by the importation and distribution of animal foodstuffs. Thus, the livestock numbers rose 5 percent to 26 million head. Likewise, poultry production increased 6 percent and dairy production rose 3 percent. Fishing, however, decreased by 8 percent, leading to a drop in exports of raw and processed fish products by 14 percent.

Mining of minerals was stimulated principally by the reaffirmation of orders from firms exporting finished and semifinished products. Clear indicators of this upswing are the 8-percent increase in value added to constant prices and the 4.8-percent increase in the volume of minerals mined. This expansion essentially concerns the commercial production of phosphates which rose to 19 million tons, an increase of 6.5 percent.

In the energy and water sector, the value added to constant prices grew 5 percent. Petroleum refining went up 16 percent, principally to replenish stocks and also to meet the needs of thermoelectric plants whose production registered an increase of 10.5 percent. Overall energy consumption increased by 2.5 percent and the rate of dependence on foreign energy sources grew to 92 percent of total needs. This added another 11.2 percent to energy costs, despite a reduction in the prices of petroleum.

Value added in the processing industry rose by 4 percent (compared to 2.2 percent in 1991), whereas the index of industrial production rose 1.7 percent (2.4 percent the year before). According to this index, production rose in certain areas of the following industries: food; clothing and textiles; chemicals and paracheicals; metal works, equipment, and construction materials. In contrast, there was a regression in other industry branches, above all, in automobile assembly.

The construction and public works sector witnessed stagnation resulting from the reduction in construction activities, although public infrastructure projects compensated for this.

Activities of the tertiary sector, the principal component of the GDP, increased, despite the slowdown in commercial activities, mainly because of the resurgent dynamism of tourism.

Finally, the value added from publically administered enterprises rose 5 percent, compared to 4.5 percent the year before.

The growth in the GDP, calculated in current prices, did not surpass 2 percent, in contrast to 12.5 percent in 1991 and 10.3 percent in 1990. The deflation factor came to 5.1 percent, compared to 7 percent in 1991, thus reflecting a deceleration of inflation that the price indices corroborate. The rise in the cost of living dropped from a rate of 8.2 percent to 4.9 percent; the rate of wholesale price increases decreased from 6.4 percent to 2.8 percent; and the rate of increase in prices for industrial production dropped from 4.5 percent to 3.2 percent. As for foreign trade prices, these saw a global decline, both for imports, notably the cost of energy, as well as for exports, in particular the prices of mined products.

The total GDP, calculated in current prices, did not exceed 245.6 billion dirhams (DH). This is an increase of only DH4.8 billion, or 2 percent, compared to DH26.8 billion, or 12.5 percent, in 1991. For its part, available gross national income, which takes into account the

DH9.9 billion in net foreign receipts, reached DH255.5 billion, a 2.2-percent increase, compared with 11.4 percent the year before.

All told, national resources rose to DH269 billion. This takes into account the DH23.4 billion in transfers and revenues received from abroad, of which DH18.5 billion were by way of contributions made by Moroccans residing in foreign lands.

Gross national expenditures, estimated at DH257.8 billion, rose only 2.1 percent in contrast to 12.1 percent in 1991. In regard to the GDP, this reveals a decline in goods and services of DH12.2 billion, compared with DH11.8 billion the year before.

On the whole, end consumption was valued at DH199.4 billion, an increase of 0.9 percent. This is in contrast to a 15.1-percent increase in 1991 and an 8.9-percent increase in 1990 and represents 81.2 percent of the 1992 GDP. Personal end consumption in the amount of DH159.7 billion decreased 0.7 percent in current prices after having risen 15.9 percent a year earlier. In real terms, the reduction in household consumption came to about 5 percent.

Expenditures for noncommercial services in the public sector, valued at DH39.7 billion, rose by 8 percent, compared to 11.6 percent in 1991.

Investment, estimated at DH58.4 billion, grew at a rate of 6 percent, clearly higher than the growth rate of the GDP. Positive stock fluctuations represented DH1 billion and the gross formation of fixed capital came to DH57.4 billion. This amounted to an increase of DH3.6 billion, or 6.6 percent, bringing the rate of investment from 22.3 percent to 23.4 percent.

Domestic savings rose to DH46.2 billion, up DH2.9 billion or 6.8 percent, and constitute 18.8 percent of the GDP. National savings, which include the net receipts from abroad, amounted to DH56.1 billion, an increase of DH3.6 billion or 6.9 percent.

All told, the need for financing resulting from the reconciliation between savings and investments came to a total of DH2.2 billion, down from that of the previous year. In any case, taking into account the effective amortization of foreign debt capital, the overall need for financing rose to DH14.4 billion, that is, almost 6 percent of the GDP. This deficit was completely covered by foreign capital that furthermore permitted the consolidation of foreign exchange reserves.

International Financial Relations

The balance of payments registered a closing surplus of DH5.8 billion, which put the foreign exchange reserves on a sufficiently firm footing to cover the importation of goods and services for a five-month period. This surplus was all the more remarkable because it was acquired despite a 30-percent rise in the commercial debt.

Indeed, trade was strongly affected by the combined effects of an unfavorable international environment and a domestic situation marked by incidents of drought.

Nevertheless, the expansion of income from tourism and the increase in transfers made by Moroccans residing abroad permitted the deficit in the balance of payments to be held down to less than DH4 billion, equal to 1.6 percent of the GDP. Nonmonetary capital returns covered this and more.

Public Finances

The process of restructuring public finances was reaffirmed both by a nearly 50-percent increase in public savings and by a reduction in the budget deficit to a level corresponding to 1.7 percent of the GDP. These results, attributable to a substantial increase in fiscal returns, were moreover accompanied by an increase in procurement costs and the reconciliation of accounts in arrears. Receipts totalling DH63.6 billion marked an expansion of 14.4 percent. This was greater than the 8.7-percent increase in overall expenditures, totalling DH78.9 billion, and takes into account the amortization of the public debt. Also, the financing of the treasury came to DH15.3 billion, a reduction of 10 percent.

Financing this debt, which is still significant, turned out to be less easy. International trade, which brought in a total of DH6.5 billion, covered only 42 percent of the requirement, as opposed to 60 percent in 1991. Domestic resources were more widely tapped, raising DH8.8 billion, which increased their part in financing the treasury deficit from 40 percent to 58 percent. In addition, in view of the insufficient contributions of the domestic financial market, the treasury's recourse to means of a monetary character surpassed DH4 billion, an increase of 46 percent.

The Development of the Money Supply

The monetary policy applied in 1992 continued to emphasize efforts aimed at safeguarding the domestic and international balances. It likewise aimed at ensuring adequate and sufficient means of financing for the production sectors. To accomplish this, the action taken by monetary authorities was basically that of regulating bank liquidity and modulating refinancing through the Central Bank.

In the context of declining production, the growth of the money supply slowed down from an end-of-month average of 17.8 percent to 12.1 percent, and from an end-of-year average of 16.8 percent to 9.3 percent; nevertheless, these rates still exceeded the rate of growth in the GDP.

This growth in the money supply, which primarily concerns quasi-money, has resulted from the 35-percent increase in international assets, from the 24-percent increase in credits held by the treasury, and, above all, from the 41-percent increase in economic credits. Nevertheless, the additional liquidity has served to strengthen savings and has not affected the monetary equilibrium, as evidenced by the slowing down of price increases.

SUDAN

Country's Policies Remain Unchanged

93AF0792B London AL-HAYAH in Arabic
22 Aug 93 p 3

[Article by Ahmad 'Uthman Jabril]

[Text] 'Abd-al-Rahim Hamdi, Sudan's minister of finance, informed AL-HAYAH yesterday that the United States's decision to include Sudan on the list of states supporting terrorism would increase his country's persistence in continuing her present directives. He further indicated that the Sudanese Government would not change her declared political, economic, and cultural policies of "being independent culturally, economically, and politically." He further stated that Sudan had her own cultural and political heritage; and that—according to him—this "unjust" decision would help reenforce this heritage. He added that this decision was a part of a media campaign, that, not backed by true information, was conflicting with reality. He also considered that this decision aimed at "blockading Sudan politically and economically."

Hamdi said that the current trend of high prices directly helped in raising the inflation rate before the submission of the new budget last February from 85 to 105 percent. He added that current austerity measures would continue and that expenditures would be within 25 percent of the budget's revenue. He further stated that Sudan's exports of meats and sesame products realized a revenue of \$36 million. He also indicated that the government was about to announce next September new policies to foster exports. He also indicated that there has been a relative stability in the export prices announced last July.

Minister Hamdi had convened a news conference in which he announced the preliminary results of the population census that was conducted last May. He stated that the country has a population of 25 millions, with 12,518,638 males and 12,422,045 females.

Commentary Deplores Country's Terrorist Status

93AF0792A Cairo ROSE AL-YUSUF in Arabic
30 Aug 93 p 22

[Article by Ahmad Hamrush]

[Text] I am very sad that Sudan has been included by the United States on the list of states supporting terrorism. Investigations undertaken by the prosecuting authorities in the United States revealed—as was indicated—that some Sudanese diplomats employed with the United Nations organization, together with a number of Sudanese youth, were involved in a conspiracy to bomb the international organization and some American institutions.

I am very sad; this is despite the fact that I had clearly voiced my opinion criticizing the Islamic Front's system of rule and its invalidation of democracy and human rights in a brotherly country. The current system has also opened Sudan's doors to religious extremists who adhere

to certain ideas that are not in conformity with the values and tolerance of the Islamic religion; it has also encouraged the export of terrorism to a number of Arab countries, including Egypt. I could have never imagined that the Sudanese ruling system would be involved in terrorist activities that would open the way to foreign interference.

True. The present performance of some systems incites foreign interference, which we have been resisting and struggling against throughout the twentieth century. This imperialism was either represented by that old style, of occupying forces, or by the new style, of money and influence. The systems, to which we refer, realize neither the realities nor the impact of the new world order that followed the end of the Cold War, the collapse of the Soviet Union and the systems of Eastern Europe, the collapse of communism, and the end of opportunities for either maneuvering or polarization.

To deal with the realities and facts of life, we need to adopt a new strategy that would deprive any power in the new world order from any opportunity of simultaneously invalidating democracy and human rights and directing its strike.

For a long time, many honest people have warned the Sudanese against the exaggeration in their system that created famine and civil war, invalidated human rights, and led the International Monetary Fund to both freeze Sudan's membership and deprive her of voting rights, thus placing Sudan in a difficult economic isolation. Those honest people had earlier given similar warnings to the political powers that led Somalia to fall to the bottom of human societies. However, some Sudanese officials are still not living up to the realities of this age.

A few days before the decision to place Sudan on the list of terrorist states, I heard over the BBC a Sudanese official in London say that the Sudanese knew that they were targeted and that they could eventually receive the same treatment that the Muslim inhabitants of Bosnia-Herzegovina have been receiving.

Sudanese officials did not try to explain the reason that Sudan had become a targeted state. They have also not differentiated between their system and that of the Muslims of Bosnia-Herzegovina who are heroically defending their land and their lives from the biggest international conspiracy.

Is there any way to compare the terrorist status of the Sudanese Government with the heroic status of the people of Bosnia-Herzegovina?

Is it an attempt to plead for sympathy—while not differentiating between circumstances—by depicting the Sudanese issue as if it were a preemptive attack on Islam and Muslims?

Is it possible to acquit the ruling system in Sudan after it has committed mistakes and blunders that have led to catastrophic and regrettable results, in the domestic as well as the international arenas?!

The same people who instigated the 21 October 1964 revolution, led the popular 25 April 1984 uprising, and brought down the military systems, replacing them with democratic ones, have to live now in a country supporting terrorism brought about by the ruling system.

The same people that have always defended their human rights have become subjected to suppression and terrorism—terrorism, which has not been confined inside the Sudanese borders, but also exported for practice outside the borders.

I am particularly grieved because the American decision came at a time when the opportunity to improve relations between Cairo and Khartoum seemed eminent. The decision came at the time that hopes existed that, following the improvement of relations, a true understanding of life's realities and the circumstances of the new world order would be established, matters would be pacified, and official as well as populous relations between the two countries would be founded on sound and concrete bases.

The opportunity seemed eminent; we hoped it would be followed by the building of confidence that would resolve conflicts and do away with bitter feelings. Yet, before the results of contacts between the two countries were accomplished, Sudan was placed on the list of countries supporting terrorism and could thus face increasing economic difficulties that would make the brotherly Sudanese people still more isolated.

In spite of everything, we hope this decision will not have an impact on contacts between the two countries. It is also hoped that the Sudanese system will review both its stand and style in order to avoid more collapses. I am confident there is still an opportunity, as long as there is a sincere intention to withdraw from supporting extremism and terrorism.

Cooperation With Iran Foreseen

93AF0796A London AL-SHARQ AL-AWSAT in Arabic
1 Sep 93 pp 1, 3

[Article by 'Uthman Mirghani]

[Text] London—The religious celebration that was held by the organization of al-Ansar for al-Mahdi Affairs the night before last on the occasion of Prophet Muhammad's birthday turned into a gathering of Sudanese Islamic movements opposed to the National Front led by Dr. Hasan al-Turabi.

The Ansar al-Mahdi Affairs Organization had invited other Islamic movements to participate in the celebration that was held in Wad Nubawi Mosque in Omdurman after they decided to boycott the official celebrations organized by the authorities on this occasion.

Representatives from the Unionist Democratic Party led by Muhammad 'Uthman al-Mirghani, the Muslim Brotherhood Movement that split with al-Turabi, and the al-Sunnah Supporters Movement participated in the celebration, in addition to the al-Ansar for al-Mahdi Affairs organization. In their speeches at the celebration the representatives attacked the government, stressing their adherence to democracy and consultation.

Speaking at the meeting on behalf of Supporters of al-Sunnah, Shaykh al-Hadiyah focused on the importance of consultation in Islam. The speakers included Dr. al-Habar Nur-al-Dayim, who spoke on behalf of the Muslim Brotherhood. He was followed by Hasan Abu-Sabib, who spoke on behalf of the Democratic Union Party, and 'Abdallah Barakat, on behalf of the Authority for Ansar al-Mahdi Affairs, who launched a strong attack on the government, stressing adherence to democracy and insisting on restoring it.

Well-informed Sudanese sources considered the celebration an expression of the alliance between the Islamic movements against the National Front led by al-Turabi and its role in the present regime. It was noted that a number of ambassadors and representatives of the Arab and Islamic countries attended the celebration.

Officials close to the Ansar al-Mahdi Affairs Organization said that security men have kidnapped the video cameraman who was photographing the celebration and confiscated his equipment.

In another development, Mustafa 'Uthman, secretary general of the organization for International Sudanese Friendship called for pursuing a joint policy between Sudan and Iran in order to confront the West.

He stressed that he will seek to strengthen ties with Iran. He attacked the West, particularly the United States, which, he said, is working against Sudan and Iran.

Islamic Al-Ansar Alliance Opposes Regime

93AF0796B London AL-HAYAH 1 Sep 93 pp 1, 4

[Article by 'Umar Muhammad al-Hasan]

Text] London, Khartoum—The Sudanese al-Ansar Affairs Organization held a celebration in Wad Nubawi Mosque in Omdurman to mark the Prophet's birthday. Leading figures from the Muslim Brotherhood, Ansar al-Sunnah al-Muhammadiyah, al-Khitmiyah Sect, and the Unionist Democratic Party participated in the celebration. Observers regarded this event as marking the beginning of an Islamic alliance opposed to Lieutenant General 'Umar al-Bashir's government.

Well-informed Sudanese sources in London told AL-HAYAH that former prime minister and leader of the al-Ummah Party Sadiq al-Mahdi attended the celebration which was held the night before last and in which thousands of citizens participated. A number of ambassadors of Islamic states also attended. The sources said speakers from the four organizations stressed the importance of consultation in Islam.

At that meeting, Shaykh Muhammad Hashim al-Hadiyah spoke about the Ansar al-Sunnah group. Dr. Akbar Yusuf Nur-al-Dayim spoke on behalf of the Muslim Brotherhood, and Hasan Abu Sabayib spoke on behalf of the al-Khitmiyah sect. 'Abdallah Barakat spoke on behalf of the al-Ansar Affairs organization and the stand of the al-Ansar sect against the regime and its insistence on the restoration of democracy and the consultative forum.

Barakat said in his speech that unidentified persons have kidnapped a video photographer who was taking photographs of the celebration. He condemned "terrorism and the violation of the sanctity of the occasion." The sources believe that this could "constitute the beginning of an Islamic alliance against the regime."

On the other hand, the Sudanese Government lodged an official protest with the U.S. authorities for intercepting a ship belong to the UAE that was carrying a sugar shipment from Port Sudan to Somalia.

Sudanese diplomatic sources told AL-HAYAH that the U.S. forces towed the ship to Djibouti after searching it on the high seas, because the Americans suspected that the ship was carrying weapons, but discovered that it was carrying only foodstuffs.

'Uthman Nafi', director of political affairs in the Sudanese foreign ministry, described the U.S. action as "new evidence of the piracy which Washington has been pursuing." He linked this incident with the interception of a Chinese ship that was en route to Iran. He said: "The development in its entirety confirms that the United States is using the big stick in imposing the new world order." He said that the seven countries that Washington accuses of sponsoring terrorism "are known for their opposition to U.S. policy, and all of them refuse to be lackeys to the United States."

Director General of Relief Interviewed

93AF0796C Doha Al-Rahim in Arabic 23 Aug 93 p 12

[Interview with Dr. Muhammad Ahmad Muhammad al-Aghbash, director general of relief in Sudan by Rashid 'Abd al-Rahim in Khartoum; date not given]

[Text] Khartoum—The UN secretary general's decision to send a special envoy on humanitarian affairs to Sudan has raised many questions about the objective of this appointment and the purpose of the envoy's visit to Sudan. It also heightened tension between the Sudanese Government and the United Nations after its envoy visited Nigeria and Kenya before contacting the Sudanese Government and before the decision appointing him to this mission was received.

AL-HAYAH has interviewed Dr. Muhammad Ahmad Muhammad al-Aghbash, director general of relief in Sudan, in order to find out the truth regarding the envoy's visit, what went on during it, and the question of relief in stricken areas in Sudan.

[Al-Rahim] Why did the government reject the visit of envoy Tarakslar, and what were the results you achieved with him during his visit to Sudan?

[Al-Aghbash] The UN Secretary General's personal envoy's visit was first linked to his visit to some other countries during the time dialogue sessions were being held with the rebel movement in Abuja. The difference was over the question of the visit having political objectives. But the visit had humanitarian objectives and it took place within this context. After visiting Sudan, the Nairobi ambassador went to the life support operation there in order to discuss many issues. Nairobi is the launching point of an important portion of the life support operation. Mr. Tarakslar met with all the officials in Sudan. He also met with the technical staff in the relief field and visited certain areas such as Jabal al-Awliya' and Malakal. The agreements with the United Nations and the volunteer organizations have been reviewed during the visit. I believe that his visit to Malakal was positive. He found that the government was fully in control of the refugee camps and that there is enough food supplies. When we arrived there, a ship from the Peace and Development Institute arrived in Malakal. The envoy noted that some camps are lacking health services because of UNESCO's priorities in shipping medicine. He found that there is a shortage of medicine for malaria and kala-azar [splenomegaly]. But in Jabal al-Awliya' he found the situation good. He also saw the flow of refugees into the areas where mutiny groups were being sheltered, in the triangle of Ayod, Kanfor, and Wat. The flow was at the rate of 100 refugees a day. There are 26,000 refugees in Malakal.

[Al-Rahim] What about the agreements with the United Nations?

[Al-Aghbash] When the agreements on relief were reviewed it became clear that the government has done all it should do under the agreement with the United Nations and the rebel movement. There are mines on the roads that the rebels did not remove, thus delaying food shipments. The world community and the donors failed to respond to the appeals made through the United Nations. The response has been weak. Now following the positive results achieved by the personal envoy's visit we expect a good international response to materialize.

[Al-Rahim] Are you, as a government, committed to providing relief only to citizens under government control? What about the citizens in the rebels' areas?

[Al-Aghbash] We provide relief for all those who need it. As far as we are concerned, we are working to provide relief to all the citizens whether in the rebel areas or in government areas. We now have a ship that is about to sail to the rebels' areas under the UN control and with the help of UN workers. Relief will continue to be sent to the mutinous areas. And most of the air drops taking place from Lokotsoko airport in Kenya take place mostly in the rebel areas. In the next few days we will drop food on al-Nasir town and on the cities of Juba and Malakal.

There are areas controlled by the rebel movement but we still provide citizens with food.

[Al-Rahim] From where do the refugees to Malakal come? Are there any other areas from which the refugees come?

[Al-Aghbash] Some of those come from the triangle Ayod, Kanfor, Wat. And there are refugees who come from Buybor and Bore. Most of those who leave the mutiny areas come to government areas because of the war between factions. In most cases the mutinous forces seize the food they receive from areas served by volunteer organizations.

[Al-Rahim] What is your program for the coming period?

[Al-Aghbash] A ship will sail from Kusti to Malakal and another will arrive in Juba this week. These ships will be in constant movement; they unload and return. We have programs for air drops. We have resorted to this method because there are mines on some roads that prevent truck traffic. Another reason is the fall season, since all the airfields in the south have dirt runways. We have operations that will be carried out in Buyor and Bore, as well as in al-Nasir. These belong to the mutiny. There are also problems in Akot, which is under the control of Garang's movement, as well as in Bantu. Air drops are being carried out from Khartoum and al-Abyad as well as from Lokotsoko in Kenya. Under the agreement the government will provide maize, and the United Nations and the volunteer organizations will provide transportation, lentils, and oils through the donors. In Juba, an airlift is now under way, which is administered by the World Lutheran Union, which is not involved in the lifeline operation.

[Al-Rahim] What about the areas in southern Sudan where there is hardship?

[Al-Aghbash] Western relief organizations operate only in specific areas and provide food and services only in these areas. The donor countries provide aid only to their own organizations. For this reason we have been unable to provide food for those suffering from drought in eastern Sudan. We are facing problems in the Nuba mountains. These organizations provide finance for northern Kordofan and Darfur, because there are organizations that come under them and they want permanent presence for themselves. We suggested to them that they combine the foreign organizations with the national organizations and demanded that these organizations concentrate on reconstruction and development and not on immediate relief.

[Al-Rahim] Are you facing problems with the Western organizations?

[Al-Aghbash] The organizations are now demanding that they take part in the survey operations in order to determine the citizens' needs and how much this is linked to the country's security situation. We have agreed that this be carried out in participation with national organizations and that a single band radio be

operated using one language, English, and employing national technicians in order to ascertain that the information is correct. We also want to widen the possibility of obtaining more aid from the donors. The organizations have other problems, which were raised during envoy Tarakslar's visit, which is obtaining permit for movement and work. We agreed that the permit should be issued within 10 days from the date an application is filed. We believe that this is a record time to obtain a visa, in comparison with most countries, bearing in mind that we are talking about war areas.

[Al-Rahim] Did you discuss the designation of safe zones during Tarakslar's visit?

[Al-Aghbash] No such proposal was put forward. The rate of implementation on our side was found to be excellent. We welcome cooperation. Our proposal calls for considering the areas to which the people are moving safe zones. There has been a major move to government areas. We propose that these government-controlled areas to which people are moving in large numbers be considered safe zones. We see this kind of talk in the Western media only. But the reality is that there are the beginnings of agreement and cooperation in serving an important humanitarian cause.

[Al-Rahim] Do you believe that some citizens are threatened by starvation? How much did you allocate for the relief?

[Al-Aghbash] The citizens who are threatened by starvation are those living in rebel areas, because the movement's troops take their food. The outside world views this humanitarian cause in a political context. There are attempts to fight the government from this aspect. This is a humanitarian issue that should not be confused with political issues. We hope that providing assistance to the needy will not be subject to the government's political decisions. We are striving to keep the world community, the donors, and the voluntary organizations informed of everything. Even in the areas where we cannot provide security for their stay, we organize for them [UN officials] visits in order to be acquainted with the situation. We have allocated 153,000 metric tons of grain to be distributed to the needy ones wherever they may be. Our objective is to provide to the Sudanese citizen everything he needs. We hope that the UN secretary general's envoy, Tarakslar, will lead to an international response that would ease sufferings.

Staple Production Increase Expected

93AF0792C London AL-HAYAH in Arabic
22 Aug 93 p 10

[Article by 'Abd-al-Raziq Bashir]

[Text] Ahmad 'Ali Qunayf, the Sudanese minister of agriculture and natural resources, confirmed that Sudan is endeavoring to increase the production of wheat and other grains to 6.5 times its present production at an annual rate of growth of 65 percent. The production of grains for oil extraction would be increased to four times their present production at an annual rate of growth of

40 percent, while the production of other agricultural products such as legumes, vegetables, fruits, animal feed, sugar, and rice would have rates of increases ranging between three and eight times present production.

In a special statement to AL-HAYAH, the minister indicated that he expected a big increase in wheat production in the current year. He confirmed that, despite the deterioration in wheat production last year, different procedures have overcome many of the causes of deterioration and resulted in the increase of corn production from 1.18 million to 3.79 million tons. He also stated that Sudan is trying hard to increase the area under wheat cultivation in order to fulfill her national will and independence. He further said: "Wheat has become a product with political implications; it threatens peoples' choices and aspirations for the future." He added: "This year, we have outlined a stimulating policy for producers and made available savings, starting from the land preparation season until that of the harvest."

Qunayf indicated that the state would buy wheat from producers for 3,500 Sudanese pounds per bale. He added: "We have notified producers about this policy before the beginning of the growing season, which means that we are actually encouraging them and giving them remunerable prices. Meanwhile, at harvest time, we will compare the prices we offered with market prices; still, we will not buy wheat from producers for less than 3,500 pounds per bale; this is very encouraging for producers."

The minister asserted that the new policies have given producers the freedom to market wheat and other produce; meanwhile, the state would be ready to buy all quantities of wheat offered by producers at no less than 3,500 pounds per bale. He further said: "We have reduced the taxes that growers have to pay by 50 percent; we have also instituted other procedures, which have actually led to an improvement in production conditions; these procedures also have enabled us to follow up the production process in Sudan."

Qunayf further confirmed that the agricultural operations bureaus in rural areas in Sudan are attempting to implement the new policies that have as their goal the increase of wheat production. He also asserted that petroleum products needed by the agricultural sector have been secured to last the whole agricultural season starting from its beginning until harvest time. He reiterated that wheat producers have welcomed the new agricultural policies, especially those that fix the wheat prices before the growing season, which have given investors, particularly those cultivating large areas, guarantees and encouraging incentives.

The Sudanese minister confirmed that the deterioration in wheat production during the past season was due to many reasons; the exceptionally long summer and the diseases from which wheat suffers, were among these reasons. However, he continued to state that Sudan is proceeding with implementing the self-sufficiency-in-wheat policy. He also indicated that wheat production

is consistently increasing. Last year, wheat production amounted to 895,000 tons, compared to 680,000, 408,000, and 247,000 tons for 1991, 1990 and 1989, respectively. Corn production amounted to 3,791 million tons in 1992, compared to 1,180 million tons in 1991.

Mustafa Hasbu, manager of "Muwaffaq" organization, a branch of "the Peace and Development Organization for the Reconstruction of South Sudan," confirmed that the area in south Sudan that is under cultivation with grains that his organization grows has increased from 11,000

feddans to 21,000 feddans in the 1993-94 season. Hasbu indicated that his organization is producing millet, corn, peanuts, hibiscus, and sunflowers. He also reported that his organization has model agricultural villages for the cultivation of vegetables and fruits in the range of 400 feddans in each village. This kind of cultivation is supported by the "Sudanese Agricultural Bank," the "Industrial Development Bank," and the "Farmer's Bank." Hasbu added that the organization is endeavoring to increase the area under cultivation and both resettle and rehabilitate Southerners.

BANGLADESH

Government To Disinvest 16 Sugar Mills

BK0709094793 Dhaka THE BANGLADESH
OBSERVER in English 24 Aug 93 p 1

[Article by Azizul Haque]

[Text] The government has decided to disinvest 16 sugar mills of Bangladesh Sugar and Food Industries Corporation (BSFIC) as per recommendations of the experts study group of Asian Development Bank (ADB).

BSFIC now owns 16 sugar mills and five other industrial units. Meanwhile, the government decided to disinvest 13 enterprises under BSFIC in the first phase. The Dhaka Vegetable Oil Industries has already been transferred to private ownership. Out of the rest 12 units proposed to be disinvested in the first phase, eight are Thakurgaon, Shayampur, Deshbandhu, Setabganj, Rangpur, Kushtia, Panchagarh, Jeelbangla and Faridpur Sugar Mills.

The Bangladesh Government and Asian Development Bank had signed an agreement in 1991 and, accordingly, the ADB had appointed a consultant P.S. Morrissey to prepare a report on the public sector industrial units of Bangladesh.

The consulting firm in its report had suggested to disinvest 115 manufacturing enterprises including the 16 sugar mills to minimise the financial constraints.

Meanwhile, BSFIC had floated tenders to sell its three sugar mills including Deshbandhu Sugar Mills of Narsingdi, Shayampur Sugar Mills of Rangpur, and Kaliachapra Sugar Mills of Kishoreganj for the consecutive third time but only one bidder had submitted a tender of Taka five crore to buy Shayampur Sugar Mills.

A source close to the BSFIC said that the entrepreneurs were showing less interests in buying the sugar mills as the machinery and technologies of these sugar mills were too old and obsolete.

The BSFIC had submitted a proposal to the Government for balancing, modernisation, rehabilitation, and expansion (BMRE) of 16 sugar mills in the backdrop of poor response from the bidders to buy the sugar mills.

Finance Minister M. Saifur Rahman turned down the BMRE proposal of BSFIC when it came for discussion at the meeting of the Executive of the National Economic Council (ECNEC) held in the fourth week of June last. The meeting also expressed the idea that the process of disinvestment of the sugar mills were being delayed as these were found to be non-profitable.

As a result, the ECNEC directed the BSFIC to manufacture distillery by-products like green petrol, ethylene, yeast, ethyl acetone, paint and varnish chemicals to make the sugar mills economically viable. Accordingly the BSFIC is now preparing for a feasibility report by appointing a consultant with regard to the cost of

machinery and production of the distillery by products of the sugar mills, volume of production, marketing, and involvement of manpower.

The BSFIC has advertised for a consultant in this regard.

There is also demand for distillery products like industrial alcohol and spirit. The number of plants producing distillery products in the private sector is three while BSFIC owns one such plant namely Carew and Company. The annual production of spirit by these four factories is about one crore litre while another one crore litre is required to meet the country's annual requirements, the source added. Besides, manufacturing of spirit, the Carew and Company also produce liquor.

Another authoritative source said that 3,131 officers and employees of BSFIC had applied for voluntary retirement under 'golden handshake' programme of the government. But necessary funds are yet to be provided by the government to execute the scheme.

Child Labor Not For Economic Exploitation

BK2908110993 Dhaka THE BANGLADESH
OBSERVER in English 23 Aug 93 p 5

[Editorial: "Child Labour in the USA And Bangladesh"]

[Text] The current furore and alarm over the U.S. threat to ban exports of Bangladeshi garments unless the producers stop employing child labour can be appreciated only by those who realise that the garments industry is the only one which has been earning foreign exchange in recent years.

We understand the idealism underlying the U.S. threat; certainly no one would want the industrialists to fatten on cheap child labour. But is this really a case of economic exploitation for profit?

There are, we believe, a number of relevant factors which need to be taken carefully into account by U.S. legislators before they enforce their threat. Bangladesh, like most countries in the Least Developed Group, is saddled with a large population, with more than three-fourths of them living under the poverty line. Unemployment is a staggering problem which is responsible for the related problem of increasing crime and violence.

The choice before children under fifteen—the age-limit imposed by the U.S.—is between working for comparatively low wages and surviving physically and starving or drifting into beggary and crime.

There are we know several hundred thousand children, male and female, who are in "domestic service" and who like their counterparts in the garments industry face the stark choice of either slowly languishing to disease and death or working, sometimes for no wages at all except three meals a day. These children are younger than those in the garments industry. You would sometimes come across, a child of eight attached to somebody's household as a domestic. This looks cruel, but if the government banned the employment of children in domestic service the majority of them would surely starve.

These facts need to be explained to the West.

Besides, it should also be made clear to people in the United States of America and Europe that climatic conditions in tropical and sub-tropical areas mean earlier maturity. A child of 15 in the West is at least three to five years younger than a child of the same age in Bangladesh both physically and mentally.

Garment Exports Earn Taka 5,614 Crores in 1992

BK0409134893 Dhaka *THE BANGLADESH OBSERVER* in English 21 Aug 93 p 7

[Text] President Abdur Rahman Biswas said in Dhaka on Wednesday [18 August] that ready-made garments industry, the highest export earning sector, earned Tk. [taka] 5,614 crore from export during the last financial year, says UNB [United News of Bangladesh].

He told a delegation of Garments Sramik [workers] Federation that garments industry contributed sixty per cent of the total exports from Bangladesh.

The 23-member delegation, led by labour adviser of the federation, Belayet Hossain, called on the President at Bangabhaban [President House].

The President urged the workers of the garments industries to work hard with utmost sincerity and discipline to augment production in that vital sector. Bangladeshi garments are of high demand in the world market, particularly in America, Canada, and in the EEC countries, he added.

Bangladesh has been following free market economy, he said and stressed the need for maintaining high standard of products to survive in the highly competitive market.

President Biswas advised the workers to maintain good relations with the management, saying that without healthy relationship between the workers and the management, higher productivity could not be achieved.

Earlier, in a memorandum the federation demanded higher wages, training and other facilities, shift duty, and setting up of modern textile mills for production of quality clothes for the garments industries instead of importing from abroad.

The delegation included President of the Federation, Hanif Mukta, Vice Presidents—Sharifuddin, Zainul Abedin, and Almas Ahmed Polin, and General Secretary Jahangir Hussain.

IRAN

Middle Road Between Extremism, Moderation Said Chosen

93AE0592A London *AL-SHARQ AL-AW'SAT* in Arabic 3 Sep 93 p 7

[Article by Amir Tahiri: "Iran Turns Toward Moderation"]

[Text] After a short time when Iran seemed to be hesitating between two roads—complete return to revolutionary projects or complete repudiation of Khomeyni's legacy—Iran has now decided to choose the middle road.

The man responsible for this middle road is Supreme Guide 'Ali Khamene'i, who by directing the mullahs toward this path hopes to prevent the revolutionary camp from fragmenting and at the same time avoid costly adventures abroad. By doing so he has confirmed his position as Iran's real ruler at this time.

Khamene'i began his career as supreme guide after Khomeyni's death, when the assembly of experts hastily elected him in a session without a legal quorum. He so lacked confidence that he would succeed Khomeyni that he spent the first few weeks in an attempt to convince everyone that he was a temporary choice. Today, however, after four years, he has come to feel enough confidence to reassert his authority.

The 54-year-old Khamene'i was elected for life. He is the one permanent institution in the Islamic republic. The current Majles will end in three years, or perhaps earlier if Khamene'i dissolves it. President Hashemi-Rafsanjani will hold office less than four years, at the end of which he will not be able to run for the presidency. The heads of the courts, judges, and armed forces commanders can be changed if and when the supreme guide wishes. Khamene'i is not the youngest of the mullahs who dominate Iranian policy—there are only about six of them—but he is the most experienced of them.

He was a member of the Islamic Revolution's Majles that Khomeyni formed in 1979. Afterward he became deputy defense minister and, as everyone agrees, played a decisive role in directing the Iranian armed forces, which were restive toward the eight-year-long war with Iran.

When Khomeyni decided in 1981 that one of the mullahs should assume the presidency, Khamene'i was the unexpected choice. He was the most knowledgeable mullah around Khomeyni. Khamene'i was the one who checked the texts of the revolutionary Majles to make sure there were no errors in the dictation. Of all the revolutionary mullahs around Khomeyni, Khamene'i was the only one who had superior knowledge of Persian language and literature, and he also speaks Arabic fluently. He was the most eloquent of them. While Khomeyni's statements seemed tiresome and designed to bore people to tears, Khamene'i's oratory electrified the public.

Another of Khamene'i's traits was always to stand off-stage while competing groups tore themselves to pieces around Khomeyni. He looked on while former allies fought each other to the death. Each time one of the mullahs left the field as a result of having lost a round of the power struggle, Khamene'i seemed to be the uncontested winner, and he seemed to get things without wanting to.

In 1986-87, Rafsanjani was engaged in conflict with Ayatollah Hoseyn 'Ali Montazeri. Khomeyni's previous political heir, about who should oversee the secret negotiations with Washington.

Montazeri came out defeated, and Khamene'i succeeded in convincing Khomeyni to ditch Montazeri. When Khomeyni died, Khamene'i was the one who became the real winner from Montazeri's fall.

The same pattern has repeated itself in a different sphere during the past two years. Rafsanjani took enormous risks to uproot the extremists from the Majles and other power centers in the mullahs' establishment. However, whenever a success occurred, Khamene'i was the winner who remained far from the field of conflict.

Last month, for example, when the Majles rebuffed Rafsanjani, the latter hurried to Khamene'i to soften the blow and obtain his support. Since then we have seen Khamene'i make a very strong return to center stage. First of all, Rafsanjani and all his ministers attended a strange ceremony at Khomeyni's grave and promised their loyalty to Khamene'i.

The ceremony's purpose was to declare who was overall chief. After the ceremony, Rafsanjani held the first session of his cabinet and informed the ministers that their first duty was "unreserved obedience to the supreme guide."

The second stage of this strange ballet was Rafsanjani and his ministers receiving the honor of a meeting with Khamene'i. The purpose of this episode was to confirm the power structure inside the mullahs' establishment.

The new cabinet contains a majority that for many years was close to Khamene'i, which means that it is primarily indebted to him. It is also clear now that no major step can be taken at home or abroad without Khamene'i's approval.

This became very clear in the meeting of Foreign Minister 'Ali Akbar Velayati with Iranian overseas diplomats. He told them at the Tehran meeting that "directives from the supreme guide" provide the backbone of Iranian foreign policy.

Why then has Khamene'i decided to reaffirm his authority? There is an answer: namely, that he has lost all hope of imposing himself as a religious leader and is therefore trying to strengthen his position politically. For the last four years, Khamene'i has been making a special effort to establish his credentials as a religious scholar. The official information media has given him the title of ayatollah and has made a strenuous effort to market him as a religious, not a political leader, but with almost no result.

Another possible explanation is that Khamene'i saw the entire regime as endangered because of Rafsanjani's dangerous policies. Rafsanjani has begun steadily to abandon the language of the revolution and espouse economic and technocratic slogans.

He has begun to disturb the "downtrodden," who form the revolution's backbone, without gaining any support from the middle class. Rafsanjani's policy of currying favor with the West, especially the United States, has not produced any results, while it has cast shadows of doubt on the claims of the revolutionary regime.

So Khamene'i, who now has complete authority, has begun to bring back the revolution's slogans, especially by beginning an anti-America campaign. At the same time, he is running no major risks at home or abroad; for he knows that the regime is not strong enough for a complete return to the style of the policies of the Khomeyni adventure.

Factors of Unity in Muslim Communities Discussed

93LA0234C Tehran TEHRAN TIMES in English
6 Sep 93 p 2

[Text] Unity among the Muslim sects is of great historical significance and has always been advocated by some of the most prominent Islamic personalities including the late Imam Khomeyni.

The triumph of the Islamic Revolution provided a suitable vehicle for the realization of that ideal and the late Imam had repeatedly emphasized the point that unity among the Muslim nations is prerequisite for their honor and grandeur, and had prudently instituted the "Week of Unity" on the date of the Nativity of the Holy Prophet(S).

It would seem, however, that in spite of its long history the concept of unity among the Muslims has remained a more or less imprecise notion.

But what is exactly meant by unity among the Muslims? Is it merely an idealistic term denoting solidarity among the Muslims in their common belief in social justice, or is it a tactical and temporary alignment of forces against a common enemy? Or perhaps by unity we mean the omission of minor differences from among the ranks of Muslims in their struggles against the oppressors of the world?

It seems to be quite clear that in the opinion of the Leader of the Islamic Revolution, Ayatollah Khamene'i, unity among the Muslims is an all-embracing concept which transcends mere tactical alignment of forces. It is in fact a very broad concept which goes beyond the mere resolution of contemporary problems and points to the ultimate uniqueness of the source of the Islamic religious faith. This is clearly evident from Ayatollah Khamene'i's recent statement on the occasion of the World Congress of Ahl-ul-Bait in which he proposed the establishment of a special university with the aim of fostering unity among the Islamic sects.

The issue of unity forms only the surface layer of thought in the contemporary Muslim communities. Thus it would seem that a great deal has to be done in order to bring about a deeper understanding of the concept. This can only be achieved when the concept is taken into

consideration in all artistic, educational, cultural and social activities. In this connection the following measures can have great effect in the realization of unity in a spiritual and profound sense:

- Inclusion of the theme of unity in textbooks at all educational levels.
- Organizing courses on Islamic unity in universities specially in Muslim countries.
- Arranging meetings between Shi'a and Sunni Muslims at all cultural institutions, schools, colleges, etc.
- Promoting dialogues between Shi'a and other sects' Muslim scholars by arranging conferences on significant Islamic issues.

And finally it should be mentioned that the effectiveness of the above measures in the realization of unity among Muslims will depend to a great extent on the support and encouragement of sympathetic governments in the Islamic world.

President Inaugurates Largest Metallurgy Institute

93LA0234E Tehran TEHRAN TIMES in English
31 Aug 93 p 2

[Text] Tehran (IRNA)—President Akbar Hashemi-Rafsanjani Sunday inaugurated an institute of metallurgy affiliated to Tehran University's College of Technology.

The institute, which is one of the largest of its kind in the world, has been built on an area of 17,000 square meters at a cost of Rls[rials]1,000 million. The project has been financed by Iran's National Steel Company.

The metallurgy institute consisting of educational and administrative premises, a library, a computer center and workshops, will admit 400 students every year.

In his inaugural speech, President Rafsanjani proposed that a percentage of the income and budgets of the ministries and industrial centers be set aside for the establishment and expansion of higher education centers.

He also called on all ministers to establish contacts with universities to promote higher education centers and improve research.

Also present at the ceremony were Mines and Metals Minister Mohammad Hoseyn Mahluji and Culture and Higher Education Minister Hashemi-Golpayegani who briefed the President on the details of the project.

Transport Minister: Railway Budget Insufficient

93LA0234D Tehran TEHRAN TIMES in English
2 Sep 93 p 2

[Text] Tehran (IRNA)—Roads and Transport Minister Akbar Torkan here Tuesday called as "insufficient" the Rls[rials]13,500 billion budget allocated for railway

projects in the Second 5-Year Development Plan, pointing out that Rls. 28,000 billion are need to complete the projects.

The new road and transport minister addressing a nationwide meeting of director-generals of his ministry, said the country's 150 active locomotive trains are grossly inadequate when compared to the 6,000-kilometer railway network in Iran.

Torkan listed the achievements under former transport minister Mohammad Saeedi-Kya, noting that the Islamic Republic Airlines "Homa" replaced 6 of its aircraft, bought 5 new ones for Asseman Airlines and got on lease 10 planes from abroad. He termed the lease experience as successful.

Torkan who was defense minister in the last cabinet, said that 13 airports were built across the country during Saeedi-Kya's term.

Later at the meeting Director-General of the Islamic Republic Railways, Sadeq Afshar, presented a report on cargo transportation of the country.

According to him cargo transportation jumped to 17.6 million tons last year compared to 6 million tons in 1976.

Afshar said passenger traffic has also increased from 6.4 million passengers in 1979 to 8.2 million last year.

Steel Production To Reach 4.5 Million Tons

93LA0234A Tehran TEHRAN TIMES in English
10 Aug 93 p 3

[Text] Tehran (IRNA)—Iran's steel production will amount to 4.5 million tons during the current Iranian year (ending March 20, 1994), said Minister of Mines and Metals [Mohammad] Hoseyn Mahluji.

The annual production is to reach 12 million tons by the end of the Second 5-Year Development Plan (1995-'99). Mahluji said in an interview published in the Saturday issue of the Persian daily HAMSAHRI.

The steel production of the country rose from about 1.1 million tons in the year 1368 (1982-83) [as published] to 3.8 million tons in the year 1371 [21 March-20 March] (1992-'93).

Turning to production of aluminium, he said that it increased from about 30 million tons in 1368 to 110 million tons in 1371.

Production of copper also rose to 120,000 tons in 1371 from about 50,000 tons in 1368 [21 March 1989-20 March 1990].

He further added that the technology to produce lead did not exist in Iran in 1368 but that 15,000 tons of lead was now being produced inside the country monthly.

Mahluji said that one of the most modern factories for extracting gold went into the stream during the current

year. There are 63 gold mines in the country, he said, and more need to be constructed in the Second Development Plan.

The minister said that in production of fireproof substances as a strategic industry, Iran is among the ten first producers. The domestic needs of the country are met and an annual amount of \$800 million in hard currency are saved.

Four factories to produce alloy steel are to start operation in Isfahan, Azna and Roudan (in Isfahan, Lorestan and Hormuzgan Provinces, respectively) by the middle of the next year. They would save the country more than \$100 million in hard currency.

He added that tens of modern factories to produce decorative stone factories are under construction.

The annual production of decorative stones are predicted to reach 10 million cubic meters in the middle of the Second Development Plan.

On the implementation of privatization policy, he said that 29 companies affiliated to the ministry will be transferred to the private sector.

In the second plan, the government intends to produce electrodes which are utilized in electronic furnaces and which would have tens of millions of dollars in hard currency.

Turning to foreign investments in the country, he said that according to a report by the Plan the Budget Organization the share of these investments in the Gross National Product (GNP) rose from about 12.1 percent in 1367 [21 March 1988-20 March 1989] to 12.9 percent in 1370.

He reminded that the share was 27.4 percent in 1356 [21 March 1977-20 March 1978] (before the culmination of the Islamic Revolution) and in most advanced countries reaches 25 percent.

Information Centers To Open in Tehran

93LA0234B Tehran TEHRAN TIMES in English
4 Sep 93 p 13

[Article by Nader Adabi]

[Text] Tehran—About 200 information centers will open in near future in Tehran, said Eng. Mozaffar Nafari, mayor of 6th District in Tehran on Thursday.

Addressing a press conference Mayor Nafari said that the citizens in the Iranian capital would be able to utilize the services of these centers.

Nafari was addressing a press conference after the inauguration of the first Information Center that was inaugurated by Tehran Municipal Corporation Mayor Ghulam Reza Karbaschi in Park Laleh.

Mayor Nafari said that general, but necessary information such as addresses of the essential services such as health care and treatment and entertainment and cultural programs will be provided to those who will approach the centers.

The same information would be available for the general public on phone, he said adding that the entire process of furnishing the information would be computerized.

Nafari admitted that such services were in operation in several other countries for a long time but it would be the first in the Islamic Republic of Iran.

Charity Organization Covers 95 Percent of Lebanon

93LA0234F Tehran TEHRAN TIMES in English
4 Sep 93 p 13

[Text] Tehran (IRNA)—The Imam Khomeyni Relief Committee enjoys high position among international charity organizations operating in Lebanon, and its assistances to the poor cover 95 percent of Lebanese soil.

Ali Zariq, a director general at the committee said at present 5,000 Lebanese families comprising of 30,000 people are under financial protection of the committee's branch in Lebanon.

Under a five-year plan, the number of people protected by the Imam Khomeyni Relief Committee in Lebanon will increase, the official said.

Between March 1992 and March, 1993, he said, some three million dollars were given as aid to the families protected by the Imam Khomeyni Relief Committee in Lebanon.

Some 4,000 Lebanese students, who used to go to non-Islamic schools, are now studying in four educational centers set up by the relief committee in that country, said Zariq.

The committee has already set up a center to take care of orphans below 3 and is planning to establish another center with more advanced equipment and a specialized staff, he said.

According to Zariq, some 740 Lebanese orphans are under protection of the Imam Khomeyni relief committee which he said had facilities to admit 3,000 orphans.

On the medical services offered by the committee, he said that the charity committee is to set up three clinics in the deprived regions of Lebanon in the near future.

The official said that all Lebanese people admit that the Imam Khomeyni Relief Committee is the only charity organization striving to combat poverty in that country without compensation in return.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.

END OF

FICHE

DATE FILMED

9 DEC 93